

Commission of Inquiry into Certain Allegations
Respecting Business and Financial Dealings
Between Karlheinz Schreiber and
the Right Honourable Brian Mulroney



Commission d'enquête concernant les allégations
au sujet des transactions financières et
commerciales entre Karlheinz Schreiber et
le très honorable Brian Mulroney

Commissioner

L'Honorable juge /
The Honourable Justice
Jeffrey James Oliphant

Commissaire

INTERVIEW OF MR. FRED DOUCET

Held at:

427 Laurier Avenue West
Suite 426
Ottawa, Ontario

Tuesday, March 10, 2009

Tenue à :

427 Avenue Laurier Ouest
Suite 426
Ottawa, Ontario

Mardi le 10 mars 2009

Appearances

Mr. Richard Wolson	Lead Commission Counsel
Mr. Giuseppe Battista	Co-Counsel
Mr. Peter Edgett	
Mr. Robert Houston	Mr. Fred Doucet
Mr. Fred Doucet	Witness

Table of Contents

	Page
Interview of Mr. Fred Doucet	1

List of Exhibits

		Page
1A	Invoice from FDCI dated November 2, 1988 for Professional Services rendered in the amount of \$90,000 and copy of cheque from Bitucan Holdings dated November 15, 1988 in the amount of \$90,000	45
1B	Invoice from Gerald Doucet dated November 2, 1988 for Professional Services Rendered in the amount of \$90,000 and Copy of a cheque from Bitucan Holdings Dated November 15, 1988 in the amount Of \$90,000	47
1C	Copy of a cheque dated November 15, 1988, paid to the order of Frank Moores in the amount of \$90,000	48
1D	Copy of a cheque dated November 15, 1988, paid to the order of Lemoine Consultants in the amount of \$90,000	50
1E	Copy of CGI invoice dated November 10, 1988 to Bitucan Holdings for consulting services rendered in the amount of \$250,000 and copy of a cheque dated November 15, 1988 paid to the order of Government Consultants International in The amount of \$250,000	52
2	Agenda entry dated August 19, reference to "FM re: Bear Hear".	63
3	Agenda entry dated September 29, 1988 re: meeting between Mr. Doucet and Mr. Massmann	67
4A	Agenda page dated April 16, 1991	85
4B	Agenda page dated April 24, 1991	90
4C	Agenda page dated May 23, 1991	93

List of Exhibits

		Page
5	Letter from Mr. Schreiber to the Prime Minister dated May 6, 1992	100
6	Letter from Mr. Schreiber to the Prime Minister dated May 13, 1992	101
7	Letter from Mr. Massé to Mr. Schreiber dated May 16, 1992	102
8	Letter on Thyssen Bear Head letterhead dated May 22, 1992 from Mr. Schreiber to the Prime Minister	102
9	Tab 31 - Bear Head Industries Division of Thyssen Industries government document from Québec	115
10	Page from Mr. Doucet's agenda dated May 15, 1993	116
11	Page from Mr. Doucet's agenda dated June 1, 1993	118
12A	Page from Mr. Doucet's agenda page dated June 2, 1993	119
12B	Agenda page dated June 2, 1993, tab 28	121
13A	Page from Mr. Doucet's agenda page dated June 3, 1993	125
13B	Page from Mr. Schreiber's agenda dated June 3, 1993	126
14A	Page from Mr. Doucet's agenda dated August 26, 1993	129
14B	Page from Mr. Schreiber's agenda dated August 26, 1993	129
15A	Page from Mr. Doucet's agenda dated December 17 th	155

List of Exhibits

		Page
15B	Pgae from Mr. Schreiber's agenda dated December 16	156
16	Page from Mr. Schreiber's agenda dated December 18	158
17A	Page from Mr. Doucet's agenda dated December 8	173
17B	Page from Mr. Schreiber's agenda dated December 8	173
18A	Tab 44 - Handwritten notes dated Thursday, October 28, 1999	200
18B	Typed version of Tab 44 - Handwritten notes dated Thursday, October 28, 1999	201
19A	Tab 46 - Handwritten notes dated December 26, 1999	205
19B	Typed version of Tab 46 - Handwritten notes dated December 26, 1999	205
20A	Tab 48 - Handwritten notes dated January 11, 2000	208
20B	Typed version of Tab 48 - Handwritten notes dated January 11, 2000	208
21	Summary dated August 27, 2000	214
22	Mandate document prepared by Mr. Doucet for Mr. Mulroney and Mr. Schreiber dated February 4, 2000	226
23A	Tab 15 - Agenda page dated Februar 18, 1991	232
23B	Bank document with the name "RUBRIK FRED" in the amount of \$30,000	232

List of Exhibits

		Page
24	Tab 13 - Diary page dated January 18, 1991	233
25	Page from Mr. Schreiber's agenda dated October 13, 1993	235

1 Ottawa, Ontario / Ottawa (Ontario)

2 --- Upon commencing on Tuesday, March 10, 2009

3 at 10:22 a.m. / L'audience débute

4 le mardi, 10 mars 2009 à 10 h 22

5 MR. WOLSON, Q.C.: So we're
6 convening this morning with Mr. Fred Doucet and
7 counsel, Mr. Robert Houston, along with Commission
8 counsel, Giuseppe Battista, Peter Edgett and
9 myself, Richard Wolson.

10 It's now 10:22. We haven't
11 attended to moving the clock ahead in this office.
12 It's now 10:22 and it's the 10th of March of 2009.

13 MR. WOLSON, Q.C.: Mr. Doucet,
14 first of all, thank you for coming here this
15 morning. I'm going to ask you a number of
16 questions. If at any time you have a concern, I'm
17 sure your counsel will advise me.

18 We have provided to you a number
19 of documents. There may be some other documents
20 that come along that we may have to refer to,
21 perhaps not today but at some future time.

22 I've also advised your counsel
23 that it may well be that we would like a second
24 meeting to discuss diary entries rather than go
25 through every diary entry today. And I know that

1 we may be here some time, so if you need a break,
2 please feel free to advise.

3 I'd like you to tell me, first of
4 all, your background, briefly, prior to getting
5 into government.

6 MR. DOUCET: How far back do you
7 want me to go?

8 MR. WOLSON, Q.C.: Well, I
9 understand, for instance, that you started
10 professionally in the field of education.

11 MR. DOUCET: Yeah. Maybe I'll
12 start with my university degrees?

13 MR. WOLSON, Q.C.: Absolutely,
14 please.

15 MR. DOUCET: So in 1956 I entered
16 university, St. Francis Xavier University in Nova
17 Scotia. Thereafter -- and I studied geology at
18 that time, finishing a degree in Science with a
19 major in Geology.

20 MR. WOLSON, Q.C.: Yes.

21 MR. DOUCET: And after that, I
22 took a Bachelor of Education degree and a Master's
23 of Education degree, both of them at Mount Allison
24 University in New Brunswick.

25 And then I ultimately did a PhD in

1 Educational Administration at the University of
2 Alberta, I believe graduating in 1976.

3 So that's the educational process.

4 MR. WOLSON, Q.C.: Yes.

5 MR. DOUCET: In terms of work,
6 going back to post St. FX, I -- or even during, I
7 worked as a geology student in various remote
8 parts of Canada, notably, Labrador and Ungava.

9 My first job beyond graduation was
10 in Melita, Manitoba where I taught French for, I
11 believe -- I think three years, two or three
12 years.

13 And then I moved up north to
14 Ungava and became a teacher in the Sciences there,
15 ultimately became what they call the Director of
16 the school, but it's the same as being principal.

17 From there I became a Dean of
18 Studies at the College of Laval University in
19 Quebec City called St. Lawrence College at the
20 time, and I stayed there -- I'm not sure, but
21 maybe three or four years -- four years, I think.

22 And after that I went back to St.
23 FX, where I became the administrative assistant to
24 the President of the university and stayed there,
25 I believe, for upwards of maybe 17 years in

1 various capacities, including the classroom,
2 including being a Director of Development. St. FX
3 was a relatively small university, so everyone
4 tended to do more than one thing at that time.
5 It's much bigger now.

6 And from there, I interrupted my
7 stay at St. FX to complete by PhD in the mid-'70s
8 and then went back to St. FX.

9 And from there I became the
10 President of an oil and gas company in Nova Scotia
11 called East Coast Energy, and I occupied that
12 position, I think, for two years, somewhere around
13 two years. This was initially a private company
14 and then it became a public company.

15 And I left that job to become the
16 Chief of Staff of the Prime Minister.

17 MR. WOLSON, Q.C.: Prime Minister
18 Mulroney?

19 MR. DOUCET: Mulroney.

20 MR. WOLSON, Q.C.: Yes.

21 MR. DOUCET: In 1983.

22 MR. WOLSON, Q.C.: And that would
23 be when Mr. Mulroney was in the Opposition?

24 MR. DOUCET: Was the Leader of the
25 Opposition.

1 MR. WOLSON, Q.C.: Yes.

2 MR. DOUCET: Yes.

3 And I stayed ---

4 MR. WOLSON, Q.C.: Let me just
5 back up for a minute ---

6 MR. DOUCET: Yes, sure.

7 MR. WOLSON, Q.C.: --- because I
8 had asked you about the background prior to
9 government.

10 MR. DOUCET: Oh, okay.

11 MR. WOLSON, Q.C.: So let me ask
12 you a follow-up question to that.

13 When did you first meet Brian
14 Mulroney?

15 MR. DOUCET: In 1956.

16 MR. WOLSON, Q.C.: All right.

17 And you met him where?

18 MR. DOUCET: At St. FX University.

19 MR. WOLSON, Q.C.: Okay. And have
20 you had a friendship with him from that time?

21 MR. DOUCET: Correct.

22 MR. WOLSON, Q.C.: And I'm
23 assuming that you've had a close friendship with
24 him over the years?

25 MR. DOUCET: Absolutely.

1 MR. WOLSON, Q.C.: And you remain
2 that way today?

3 MR. DOUCET: Correct.

4 MR. WOLSON, Q.C.: When I say a
5 close friendship prior to government, you would
6 have, I'm sure, socialized with him?

7 MR. DOUCET: In a matter of
8 speaking, because distance made some form of
9 socialization difficult.

10 MR. WOLSON, Q.C.: Yes.

11 MR. DOUCET: But we certainly
12 spoke on the telephone a great deal. But in terms
13 of face-to-face occurrences, there were periods
14 where I might not have seen him for a year, two
15 years, three years.

16 MR. WOLSON, Q.C.: Would you feel
17 free, and he to you, as far as you understand, to
18 confide in you about personal matters?

19 MR. DOUCET: Oh yes, yes.

20 MR. WOLSON, Q.C.: Let me ask you
21 then, starting with government, you indicated that
22 you were -- you had left the oil and gas industry
23 to become Chief of Staff to, at that time, Brian
24 Mulroney, who was the Leader of the Opposition.
25 Is that so?

1 MR. DOUCET: Correct, yes.

2 MR. WOLSON, Q.C.: And what is a
3 chief of staff of a leader of an opposition, to
4 your knowledge, different than a chief of staff of
5 a prime minister? What -- there's an obvious
6 difference in the position that Mr. Mulroney held
7 as compared to prime minister, but what would you
8 do as Chief of Staff?

9 MR. DOUCET: Of the Leader of the
10 Opposition?

11 MR. WOLSON, Q.C.: Yes.

12 MR. DOUCET: Well, basically,
13 you're responsible for hiring the staff ---

14 MR. WOLSON, Q.C.: Yes.

15 MR. DOUCET: --- that fits into
16 the organigram that the Prime Minister -- at that
17 time Leader of the Opposition -- had determined
18 would be the organization that he wanted to
19 create.

20 MR. WOLSON, Q.C.: Yes.

21 MR. DOUCET: To supervise that
22 staff; to organize the workflows. I suppose by
23 way of a comparison it would be the same as
24 managing a company ---

25 MR. WOLSON, Q.C.: Yes.

1 MR. DOUCET: --- where you're not
2 the Chief Executive Officer, obviously, but maybe
3 the Chief Operating Officer, if that's a
4 comparison. So that's what I did.

5 I also had responsibilities in a
6 crossover relationship with the party apparatus.

7 MR. WOLSON, Q.C.: Yes.

8 MR. DOUCET: So you have the
9 government apparatus and the party apparatus.
10 So I would have had a relationship
11 there.

12 MR. WOLSON, Q.C.: With the
13 Conservative Party, obviously?

14 MR. DOUCET: Correct, yes.

15 MR. WOLSON, Q.C.: And as Chief of
16 Staff, would you involve yourself in projects that
17 were ongoing, projects and private ventures?

18 MR. DOUCET: In private ventures?

19 MR. WOLSON, Q.C.: Let's assume a
20 private citizen wanted government or the
21 Opposition to advocate for a project, as Chief of
22 Staff would you become involved in that?

23 MR. DOUCET: It could be. I mean,
24 you know, our telephone numbers were widely
25 disseminated. The public could call.

1 Because there was a significant staff with duties
2 in various areas, depending on the citizens' felt
3 need, he or she might direct their communication
4 to an official in the office rather than the Chief
5 of Staff, but I would not refuse calls.

6 I think I had an assistant who
7 might have initially taken the calls and then I
8 would have, in some cases, followed through.

9 MR. WOLSON, Q.C.: Would you have
10 had, at that time, opposition leader Mulroney's
11 ear? If you had an issue, you could easily
12 discuss it with him?

13 MR. DOUCET: Oh, sure.

14 MR. WOLSON, Q.C.: Yes. And I'm
15 taking that to be depending on how important the
16 issue was on a 24-hour-a-day basis?

17 MR. DOUCET: Yeah.

18 MR. WOLSON, Q.C.: If it were
19 important enough.

20 MR. DOUCET: I don't have a
21 distinct memory of all of the comings and goings
22 at all but, yeah, I think by nature I was inclined
23 to be available.

24 MR. WOLSON, Q.C.: All right.

25 Let me ask you, were you involved

1 in his election as -- his election, first of all,
2 to Parliament and then with respect to the
3 leadership race?

4 MR. DOUCET: Yeah, of course. The
5 latter came first and I was involved in the -- in
6 his being selected as the Party leader. I was
7 involved in that process.

8 MR. WOLSON, Q.C.: That was in
9 Winnipeg?

10 MR. DOUCET: I do believe, yeah.

11 MR. WOLSON, Q.C.: All right.

12 MR. DOUCET: Yeah, in Winnipeg.

13 MR. WOLSON, Q.C.: Yes.

14 MR. DOUCET: And then we were in
15 opposition for I think over a year.

16 MR. WOLSON, Q.C.: Yes.

17 MR. DOUCET: And then came the
18 election and I was involved in the process of the
19 campaign.

20 MR. WOLSON, Q.C.: Yes.

21 MR. DOUCET: And then when he
22 became Prime Minister in 1984, I became his Senior
23 Advisor.

24 MR. WOLSON, Q.C.: How does that
25 differ from Chief of Staff?

1 MR. DOUCET: Well, there would
2 have been a Chief of Staff.

3 MR. WOLSON, Q.C.: Yes.

4 MR. DOUCET: So in a way, my
5 prerogatives or assignments would have been more
6 limited than that of the Office of the Chief of
7 Staff which, to pick up on your earlier question,
8 would be comparable, opposition and in government,
9 with the added responsibility in the latter to
10 deal with the government rather than the
11 opposition.

12 MR. WOLSON, Q.C.: And who was the
13 Chief of Staff at that time? Do you recall?

14 MR. DOUCET: The first Chief of
15 Staff -- and I do -- I think the title was
16 Secretary to the Prime Minister at the time and
17 there was no office designated as Chief of Staff
18 per se, initially.

19 MR. WOLSON, Q.C.: Right.

20 MR. DOUCET: There became -- there
21 came a time when there was both a Secretary and a
22 Chief of Staff, and I'm not sure where in the
23 period, but initially it was Bernard Roy ---

24 MR. WOLSON, Q.C.: Yes.

25 MR. DOUCET: --- who was the first

1 Secretary.

2 MR. WOLSON, Q.C.: Yes.

3 MR. DOUCET: And I was Senior
4 Advisor.

5 MR. WOLSON, Q.C.: Okay.

6 THE COURT REPORTER: I'm sorry,
7 what was that name again?

8 MR. DOUCET: Bernard ---

9 MR. WOLSON, Q.C.: R-O-Y.

10 MR. DOUCET: Correct, yes.

11 MR. WOLSON, Q.C.: As Senior
12 Advisor to Prime Minister Mulroney, and I
13 understand you held that position from September
14 '84 until May '87?

15 MR. DOUCET: I think that's
16 correct.

17 MR. HOUSTON: It could be down
18 somewhere. If you can't remember, Fred, that's
19 it.

20 MR. DOUCET: Yeah, I believe
21 that's accurate.

22 MR. WOLSON, Q.C.: All right.

23 And as Senior Advisor, what was
24 your responsibility? Was there more than one
25 Senior Advisor, or do you recall?

1 MR. DOUCET: I don't recall.

2 MR. WOLSON, Q.C.: And what -- do
3 you recall your responsibilities?

4 MR. DOUCET: Yeah. My
5 responsibilities largely were in the international
6 domain.

7 MR. WOLSON, Q.C.: Yes.

8 MR. DOUCET: I organized all of
9 his bilateral meetings out-of-country and
10 multilateral meetings where more than two
11 governments are involved. I also had a purview
12 over the -- we had a loose organization of
13 premiers where periodically there was a premiers'
14 meeting and I would coordinate that activity as
15 well.

16 MR. WOLSON, Q.C.: Would you
17 travel with the Prime Minister?

18 MR. DOUCET: Most times, yeah.

19 MR. WOLSON, Q.C.: And I'm
20 assuming that you shared a very close relationship
21 with him?

22 MR. DOUCET: Well, for sure, yeah.

23 MR. WOLSON, Q.C.: Yes.

24 And so domestic matters in terms
25 of advice, that was someone else other than you?

1 MR. DOUCET: Yeah. I was always
2 there on call if he ever wanted my view.

3 MR. WOLSON, Q.C.: Yes.

4 MR. DOUCET: And sometimes he
5 would ask and I would proffer it, but my main
6 responsibility was in the international area, both
7 bilateral relationships and multilateral
8 relationships.

9 I would say that my biggest
10 domestic responsibility, but it paled in
11 consequence to the other, was in the coordination
12 of the first ministers of provinces.

13 MR. WOLSON, Q.C.: Yes. And then
14 I understand at some point which I thought was May
15 of '87, and I'm taking this from your testimony
16 before the Ethics Committee where you made an
17 opening statement ---

18 MR. DOUCET: Sure.

19 MR. WOLSON, Q.C.: --- that you
20 left the position of Senior Advisor and took
21 another position.

22 MR. DOUCET: Correct.

23 MR. WOLSON, Q.C.: So would I be
24 correct in stating before you made that change you
25 were Senior Advisor on international matters with

1 some responsibility of organizing provincial
2 premiers and being involved in that organization?

3 MR. DOUCET: Correct. I don't
4 recall ever getting a statement of work that I had
5 to perform.

6 MR. WOLSON, Q.C.: Yes.

7 MR. DOUCET: I think there was an
8 informal relationship there and those were the
9 areas that were assigned to me *viva voce* and I
10 carried on.

11 MR. WOLSON, Q.C.: And I take it
12 from your perspective you would feel that the
13 Prime Minister at that point could -- could rely
14 on you and did?

15 MR. DOUCET: Well, absolutely, he
16 could rely on my carrying out whatever functions
17 he would assign to me, yes.

18 MR. WOLSON, Q.C.: Sure.

19 When you left, and let's assume
20 the date -- you may know it, you may not -- in May
21 of '87 to become Chairman of the Organizing
22 Committee for International Summits, do you recall
23 that that was an accurate date, May '87?

24 MR. DOUCET: It's either April or
25 May.

1 MR. WOLSON, Q.C.: Okay. And what
2 was your responsibility as the Chairman of the
3 Organizing Committee for International Summits?

4 MR. DOUCET: Yes, and with that
5 went the title Ambassador and, therefore, out of
6 the Prime Minister's Office into Foreign Affairs
7 Department.

8 MR. WOLSON, Q.C.: So you were
9 then called Ambassador in which respect?
10 Ambassador to?

11 MR. DOUCET: No, there was no
12 country designation.

13 MR. WOLSON, Q.C.: Yes.

14 MR. DOUCET: As an ambassador-at-
15 large.

16 MR. WOLSON, Q.C.: Okay.

17 MR. DOUCET: And it went with the
18 responsibilities that were assigned on the -- as
19 far as that committee's work was concerned and the
20 Chairman of same.

21 MR. WOLSON, Q.C.: Are you able to
22 say why you left the position of Senior Advisor or
23 is it a matter you'd rather not discuss?

24 MR. DOUCET: It is a matter I'd
25 rather not discuss.

1 MR. WOLSON, Q.C.: Okay. As the
2 Chairman of the Organizing Committee for
3 International Summits and Ambassador-at-Large,
4 what did you do then?

5 MR. DOUCET: I organized the --
6 well, let me contextualize it. The period '87-'88
7 was an unusual period in terms of summitry for the
8 Government of Canada.

9 There were three international
10 summits that converged on that 12- to 18-month
11 period: the Sommet de la Francophonie which was
12 held in Quebec City; the Commonwealth which was
13 held in Vancouver; and the G7, at the time, Summit
14 which was held in Toronto.

15 So three major international
16 summits where Canada was host ---

17 MR. WOLSON, Q.C.: Yes.

18 MR. DOUCET: --- which occasioned
19 a significant amount of organization and detail,
20 as you can appreciate. And given my past
21 relationship with the Prime Minister when I was a
22 Senior Advisor in the international domain, there
23 was a natural fit to move from that to a more
24 defined and all-inclusive assignment where this
25 would become my sole focus.

1 MR. WOLSON, Q.C.: Would he still
2 confide in you on matters of importance?

3 MR. DOUCET: I can't recall any
4 particular incident but we continued to be friends
5 obviously and I continued to travel with him where
6 the occasions gave rise to that, and I did a lot
7 of travelling myself to organize. I had to meet
8 with the countries that would become participants
9 in these summits. And there was a strong desire
10 for Canada to shine, as it were ---

11 MR. WOLSON, Q.C.: Of course.

12 MR. DOUCET: --- in these
13 international events. So I put all my attention
14 to that.

15 I should note that in April of '88
16 I had quadruple bypass surgery ---

17 MR. WOLSON, Q.C.: Yes.

18 MR. DOUCET: --- having become ill
19 some few months before. So my work was
20 interrupted during that period for the surgery and
21 the convalescence thereafter and I recovered
22 quickly because I wanted to not miss the G8 Summit
23 in Toronto.

24 MR. WOLSON, Q.C.: All right.

25 As the ---

1 MR. DOUCET: Which was in June.

2 MR. WOLSON, Q.C.: As the Chairman
3 of the Organizing Committee for International
4 Summits and Ambassador-at-Large, did you more or
5 less leave politics behind in that capacity?

6 MR. DOUCET: There was no campaign
7 that occurred during that period, so the amount of
8 back-to-party related politics would have been in
9 a low ebb compared to an election period, and I
10 resigned from that position before the '88
11 election so I was not as involved, obviously,
12 thereafter.

13 MR. WOLSON, Q.C.: As the Chairman
14 of the Organizing Committee, did you have any
15 involvement with the Bear Head Project?

16 MR. DOUCET: Do you want to ask me
17 the question again?

18 MR. WOLSON, Q.C.: As the Chairman
19 of the Organizing Committee for International
20 Summits, did you have any involvement with the
21 Bear Head Project?

22 MR. DOUCET: That would have
23 linked to my chairmanship of?

24 MR. WOLSON, Q.C.: Any involvement
25 at all that you can recall today.

1 MR. DOUCET: I have no memory of
2 such involvement.

3 MR. WOLSON, Q.C.: You are aware
4 of the Bear Head Project?

5 MR. DOUCET: I am indeed.

6 MR. WOLSON, Q.C.: And with
7 government did you have any involvement when you
8 were a senior advisor prior to becoming the
9 Organizing Committee Chairman?

10 MR. DOUCET: I have no specific
11 memory of that. I mean, I would have heard about
12 it ---

13 MR. WOLSON, Q.C.: Yes.

14 MR. DOUCET: --- through various
15 gatherings, but I have no specific recall of any
16 involvement, no.

17 MR. WOLSON, Q.C.: Okay.

18 Did you know Karlheinz Schreiber
19 when you were with government, either in the
20 capacity of Senior Advisor or as the Chairman of
21 the Organizing Committee?

22 MR. DOUCET: I've tried to
23 reconstruct ---

24 MR. WOLSON, Q.C.: Yes.

25 MR. DOUCET: --- when I first met

1 Mr. Schreiber and to the best of my recollection
2 it would have been sometime in 1988.

3 MR. WOLSON, Q.C.: Okay.

4 MR. DOUCET: I ---

5 MR. WOLSON, Q.C.: Prior to
6 leaving government?

7 MR. DOUCET: I'm not certain of
8 that.

9 MR. WOLSON, Q.C.: Okay.

10 MR. DOUCET: I'm not certain of
11 that.

12 MR. WOLSON, Q.C.: Would you like
13 some water?

14 MR. DOUCET: That would ---

15 MR. WOLSON, Q.C.: Could we just
16 go off the record for a moment?

17 --- Upon recessing at 11:44 a.m./

18 L'audience est suspendue à 11h44

19 --- Upon resuming at 11:46 a.m./

20 L'audience est reprise à 11h46

21 MR. WOLSON, Q.C.: Prior to the
22 break, Mr. Doucet, you advised that you met Mr.
23 Schreiber sometime in '88 but you don't recall
24 exactly when?

25 MR. DOUCET: Correct.

1 MR. WOLSON, Q.C.: And how did you
2 meet him; do you recall that?

3 MR. DOUCET: Well, I'm not
4 certain. I, for some reason, have it in my mind
5 but it may not be absolutely accurate, but I met
6 him at a cocktail function at some point.

7 MR. WOLSON, Q.C.: Okay. Did you
8 know then whether he had any relationship with the
9 Prime Minister?

10 MR. DOUCET: I don't recall that I
11 knew that.

12 MR. WOLSON, Q.C.: There comes a
13 point when you leave government completely and
14 that would be sometime in '88?

15 MR. DOUCET: Correct, in August of
16 '88; I believe the 15th.

17 MR. WOLSON, Q.C.: I think it's
18 the 16th ---

19 MR. DOUCET: Oh, is it?

20 MR. WOLSON, Q.C.: --- is the
21 note.

22 MR. DOUCET: Okay.

23 MR. HOUSTON: The note says the
24 16th.

25 MR. DOUCET: The 16th. Okay.

1 MR. WOLSON, Q.C.: And while I'm
2 not going to refer to the document because the
3 document is more fulsome than we require, you did
4 have an agreement with government that enabled you
5 to do certain things?

6 MR. DOUCET: Post-employment
7 agreements, yes.

8 MR. WOLSON, Q.C.: And, basically,
9 what did that -- what was your understanding of
10 that agreement in terms of your going into private
11 business, private practice?

12 MR. DOUCET: My understanding of
13 it was that I was in no way proscribed from doing
14 anything.

15 MR. WOLSON, Q.C.: Okay. And,
16 accordingly, did you leave government and go into
17 a lobbying business?

18 MR. DOUCET: Yes, I founded my own
19 company soon after I left government.

20 MR. WOLSON, Q.C.: Is that called
21 FDCI Consultants?

22 MR. DOUCET: Yeah, Inc. I think,
23 Inc.

24 MR. WOLSON, Q.C.: All right. And
25 you did that shortly after leaving government?

1 MR. DOUCET: Correct. Yeah, the
2 company corporation date I can't recall, but
3 certainly the name was reserved and it transformed
4 a prior company that I had when I was in
5 university, which was Education Consultants
6 Atlantic Inc., I believe.

7 MR. WOLSON, Q.C.: And what was
8 you main business when you left government?

9 MR. DOUCET: What was my?

10 MR. WOLSON, Q.C.: What was your
11 main -- what did you do at FDCI?

12 MR. DOUCET: Government relations
13 ---

14 MR. WOLSON, Q.C.: Yes.

15 MR. DOUCET: --- largely,
16 strategic advice to corporations.

17 MR. WOLSON, Q.C.: Yes.

18 MR. DOUCET: A little bit of
19 public relations. That was generally the area of
20 work.

21 MR. WOLSON, Q.C.: Did you lobby
22 when you left?

23 MR. DOUCET: When a client had a
24 need for lobby services, yes, I did.

25 MR. WOLSON, Q.C.: Okay. And you

1 did that, I'm assuming, based on the agreement you
2 had with government, you did that right when you
3 left government?

4 MR. DOUCET: Correct.

5 MR. WOLSON, Q.C.: There was no
6 period -- cooling off period?

7 MR. DOUCET: There was no -- the
8 agreement provided no cooling off period.

9 MR. WOLSON, Q.C.: And I'm
10 assuming, as the organizing Chairman of
11 International Summits, you really wouldn't have
12 been involved actively in political files in any
13 event?

14 MR. DOUCET: Well, I don't recall
15 exactly what I did beyond the work at hand
16 regarding summitries, but I think your conclusion
17 is right, that it would have been very much
18 reduced if not totally eliminated.

19 Can I come back to the previous --
20 your previous question?

21 MR. WOLSON, Q.C.: Oh, please do.

22 MR. DOUCET: The agreement that we
23 referred to in terms of post-employment, as I
24 said, provides no proscription for any kind of
25 work that I wanted to do in the lobby way.

1 MR. WOLSON, Q.C.: Yes.

2 MR. DOUCET: But I think it's
3 important to note that the antecedents to this,
4 I'm sure in the minds of those who agreed to this
5 agreement on the government side, was that I had
6 been out of government fully for over a year in
7 terms of the Prime Minister's office and into a
8 bureaucratic role.

9 MR. WOLSON, Q.C.: And that was
10 the Chairman of the organizing of international
11 summits?

12 MR. DOUCET: Correct.

13 MR. WOLSON, Q.C.: And I'm
14 assuming then, to get back to an earlier question
15 that I asked, that while you were with -- in that
16 capacity as Chairman of the organizing of
17 international summits -- Organization of
18 International Summits -- that you don't recall
19 working on the Bear Head Project?

20 MR. DOUCET: I do not.

21 MR. WOLSON, Q.C.: And I'm
22 assuming you didn't?

23 MR. DOUCET: I have no memory of
24 doing so.

25 MR. WOLSON, Q.C.: Okay.

1 When you left government, and I'm
2 assuming based on some of the early questions I
3 asked you, you maintained a personal relationship
4 with Mr. Mulroney, Prime Minister Mulroney?

5 MR. DOUCET: Correct.

6 MR. WOLSON, Q.C.: And could you
7 in private business, as you were with FDCI, could
8 you meet him at his office, just drop in on him
9 for instance?

10 MR. DOUCET: I probably could
11 have. I certainly would not do that without going
12 through the normal channels. Having been there, I
13 knew the pressures that come on to prime ministers
14 and I would not have abused my friendship to
15 casually drop in on him.

16 MR. WOLSON, Q.C.: Could you call
17 him and ---

18 MR. DOUCET: I could, yes.

19 MR. WOLSON, Q.C.: And you had his
20 contacts?

21 MR. DOUCET: Yes.

22 MR. WOLSON, Q.C.: Both at office
23 and at home and ---

24 MR. DOUCET: Correct.

25 MR. WOLSON, Q.C.: --- I don't

1 know if there were cells then, but ---

2 MR. DOUCET: Well, I don't
3 remember. I don't think I had one if there were.

4 MR. WOLSON, Q.C.: Okay.

5 MR. DOUCET: In fact, I know I
6 didn't.

7 MR. WOLSON, Q.C.: Where was his
8 office?

9 MR. DOUCET: He had two offices.

10 MR. WOLSON, Q.C.: Yes.

11 MR. DOUCET: One in the Langevin
12 Building.

13 MR. WOLSON, Q.C.: Yes.

14 MR. DOUCET: And one in the Centre
15 Block.

16 MR. WOLSON, Q.C.: Okay.

17 You had testified before the
18 Ethics Committee, and I would just like you to
19 confirm this, that you have never been an officer
20 or a director or a shareholder of a company called
21 GCI?

22 MR. DOUCET: Correct.

23 MR. WOLSON, Q.C.: Did you have a
24 personal or business relationship with GCI other
25 than the fact that I know your brother was part of

1 that organization?

2 MR. DOUCET: Correct. I'm sorry,
3 the first part was did I ---

4 MR. WOLSON, Q.C.: Did you have a
5 personal or business relationship with GCI and its
6 employees or officers?

7 MR. DOUCET: Well, personal, yes,
8 because they were all friends of mine from way
9 back.

10 MR. WOLSON, Q.C.: Would that
11 include Frank Moores?

12 MR. DOUCET: Correct.

13 MR. WOLSON, Q.C.: Gary Ouellet?

14 MR. DOUCET: Correct.

15 MR. WOLSON, Q.C.: Obviously your
16 brother?

17 MR. DOUCET: Yes.

18 MR. WOLSON, Q.C.: Pat MacAdam?

19 MR. DOUCET: Correct.

20 MR. WOLSON, Q.C.: And who else
21 was there, do you recall?

22 MR. DOUCET: Scott Proudfoot comes
23 to mind.

24 MR. WOLSON, Q.C.: Yes.
25 Proudfoot?

1 MR. DOUCET: Proudfoot. Scott
2 Proudfoot. I don't recall any others now. I'm
3 sure there were but I don't -- the names are not
4 popping up.

5 MR. WOLSON, Q.C.: Okay.

6 I've noticed on some documents,
7 and maybe you could clarify this for me, when you
8 signed a document would you sign with the initial
9 "J"?

10 MR. DOUCET: Yeah. My name is
11 Jean-Alfred Doucet.

12 MR. WOLSON, Q.C.: So you'd sign
13 it "J.A. Doucet"?

14 MR. DOUCET: Sometimes I would
15 sign "J.A." Let me explain, if I may ---

16 MR. WOLSON, Q.C.: Sure.

17 MR. DOUCET: --- because it's been
18 confusing even to me all my life.

19 When I went to St. FX, nicknames
20 were the order of the day. You daren't, you know,
21 announce yourself as Jean-Alfred Doucet ---

22 MR. WOLSON, Q.C.: Yes.

23 MR. DOUCET: --- and -- unless you
24 had a short name like Tom. So in my case, soon
25 after I arrived there, for whatever reasons, I

1 became known as Fred. Prior to that point, in
2 Grand Etang, Nova Scotia, Jean-Alfred was quite
3 okay, thank you.

4 MR. WOLSON, Q.C.: I see.

5 MR. DOUCET: But after St. FX it
6 became Fred, so then I have Jean-Alfred, sometimes
7 Alfred, sometimes J.A. and sometimes, most often,
8 Fred for St. FX.

9 MR. WOLSON, Q.C.: All right.

10 When you left government -- and at
11 least the document indicates August 16th, '88 --
12 did you take some time away and just have either a
13 holiday or not do business, or did you go right
14 into business?

15 MR. DOUCET: No, I went right into
16 business.

17 MR. WOLSON, Q.C.: All right. One
18 last question about government and Bear Head.

19 You had indicated to the Ethics
20 Committee that you really didn't know much about
21 the Bear Head project. You were aware it was
22 ongoing but your involvement at PMO was in the
23 international area and you had no responsibility
24 for domestic matters. Can you confirm that
25 statement?

1 MR. DOUCET: In the PMO?

2 MR. WOLSON, Q.C.: Yes.

3 MR. DOUCET: Yeah, I don't have my
4 statement in front of me, but I did have some
5 domestic responsibilities in the coordination of
6 the premiers' meetings but, as I said, that was a
7 much lesser part of my work than the international
8 stuff, which was the dominant part.

9 MR. WOLSON, Q.C.: But to come
10 back to the first part of the question, you had,
11 I'm assuming, no or little involvement with Bear
12 Head?

13 MR. DOUCET: I have no memory of
14 any involvement with Bear Head while I was in the
15 PMO or in the -- in Foreign Affairs, other than
16 what was in the public domain.

17 MR. WOLSON, Q.C.: All right. And
18 Foreign Affairs means?

19 MR. DOUCET: Where I was a
20 chairman of -- ambassador and chairman of the ---

21 MR. WOLSON, Q.C.: Okay.

22 MR. DOUCET: Yeah.

23 MR. WOLSON, Q.C.: Do you recall
24 when you started working for Karlheinz Schreiber
25 or Bear Head or Bitucan?

1 MR. DOUCET: No.

2 MR. WOLSON, Q.C.: Would you
3 regard those all one and the same?

4 MR. DOUCET: In a manner of
5 speaking, yes, because they were epitomized by Mr.
6 Schreiber himself, but when I registered for the
7 lobby registry purposes I had to register specific
8 companies.

9 MR. WOLSON, Q.C.: Yes.

10 MR. DOUCET: And I believe I
11 registered for Bear Head Industries and Bitucan
12 separately because they were two companies that
13 had to be identified pursuant to the lobby
14 registry requirements.

15 MR. WOLSON, Q.C.: Was your work
16 for Bitucan really the Bear Head project?

17 MR. DOUCET: Correct, correct.

18 MR. WOLSON, Q.C.: And it was
19 Bitucan that paid you when you submitted an
20 invoice, or do you recall?

21 MR. DOUCET: I don't recall.

22 MR. WOLSON, Q.C.: I'm going to
23 refer you to some documents in a moment or two ---

24 MR. DOUCET: Sure.

25 MR. WOLSON, Q.C.: --- but I just

1 wanted to confirm with you that all the work you
2 did for Bear Head as a -- in private business at
3 FDCI was either Karlheinz Schreiber, Bear Head or
4 Bitucan.

5 MR. DOUCET: Correct, but there
6 were other individuals involved with Schreiber,
7 such as Greg Alford ---

8 MR. WOLSON, Q.C.: Yes.

9 MR. DOUCET: --- with whom I --
10 and he would have been one person identified in my
11 lobby registry requirement ---

12 MR. WOLSON, Q.C.: Yes.

13 MR. DOUCET: --- because I had to
14 identify with whom I communicated.

15 MR. WOLSON, Q.C.: Yes.

16 MR. DOUCET: So I believe he was
17 identified in the lobby registry.

18 MR. WOLSON, Q.C.: He was working
19 for Mr. Schreiber in some capacity?

20 MR. DOUCET: At some point in the
21 evolution of my involvement, yes.

22 MR. WOLSON, Q.C.: Did you know
23 Mr. Alford before you began to work for Mr.
24 Schreiber?

25 MR. DOUCET: Precisely. He would

1 have been one that I should have noted in my
2 previous -- in the previous question you asked me
3 as to who I knew at GCI.

4 MR. WOLSON, Q.C.: Yes.

5 MR. DOUCET: Yeah.

6 MR. WOLSON, Q.C.: And he was one
7 there?

8 MR. DOUCET: He was one. He used
9 to work with GCI ---

10 MR. WOLSON, Q.C.: Okay.

11 MR. DOUCET: --- before he went
12 with Bear Head, yes.

13 MR. WOLSON, Q.C.: Let me ask you
14 before we go forward, what was your relationship
15 with -- I'm going back to GCI -- with Frank
16 Moores?

17 MR. DOUCET: Well, various kinds
18 of activities brought us together, probably the
19 first being politics.

20 MR. WOLSON, Q.C.: Yes.

21 MR. DOUCET: Secondly, mutual
22 friends of Mr. Mulroney.

23 MR. WOLSON, Q.C.: Yes.

24 MR. DOUCET: And, thirdly, salmon
25 fishing.

1 MR. WOLSON, Q.C.: All right.

2 MR. DOUCET: He was an avid fly
3 fisherman, as am I.

4 MR. WOLSON, Q.C.: All right. And
5 you obviously then, aside from any business you
6 may have done with him, enjoyed a friendship with
7 him.

8 MR. DOUCET: Absolutely.

9 MR. WOLSON, Q.C.: And at GCI you
10 did some business with him?

11 MR. DOUCET: Not with him
12 directly, no.

13 MR. WOLSON, Q.C.: No? With GCI?

14 MR. DOUCET: No, no.

15 MR. WOLSON, Q.C.: Okay.

16 MR. DOUCET: There were files that
17 GCI was also a consultant where I was, Bear Head
18 being a case in point as far as I know.

19 MR. WOLSON, Q.C.: So you both
20 worked on it?

21 MR. DOUCET: We both worked on it,
22 yeah, correct.

23 MR. WOLSON, Q.C.: Would you
24 confer?

25 MR. DOUCET: I think so. I don't

1 specifically recall any precise conference but it
2 would have been normal.

3 MR. WOLSON, Q.C.: Gary Ouellet:
4 what was your relationship at this point?

5 MR. DOUCET: Leaving aside the
6 fishing, the same antecedents, politics and also
7 friendship with Mr. Mulroney.

8 MR. WOLSON, Q.C.: And you enjoyed
9 a friendship with Mr. Ouellet?

10 MR. DOUCET: I did indeed, yeah.

11 MR. WOLSON, Q.C.: Did you have a
12 close relationship with your brother, Gerry
13 Doucet?

14 MR. DOUCET: Yes.

15 MR. WOLSON, Q.C.: What about Greg
16 Alford? What was your relationship with Mr.
17 Alford?

18 MR. DOUCET: As far as politics is
19 concerned, probably none in terms of connection,
20 and none with Mr. Mulroney. I think I first met
21 Mr. Alford when I came to Ottawa.

22 MR. WOLSON, Q.C.: Did you enjoy a
23 friendship with him or was it more or less
24 business?

25 MR. DOUCET: It was business,

1 yeah.

2 MR. WOLSON, Q.C.: Pat MacAdam?

3 MR. DOUCET: Well, Pat MacAdam
4 goes back to St. FX.

5 MR. WOLSON, Q.C.: Yes.

6 MR. DOUCET: So there's a longer
7 reach there, except that post-graduation from
8 there, with the odd exception where we would meet,
9 I would not have had any relationship with him
10 coming onto the leadership contest ---

11 MR. WOLSON, Q.C.: Yes.

12 MR. DOUCET: --- in '83 and then
13 the period after that.

14 MR. WOLSON, Q.C.: Okay. And you
15 enjoyed a friendship with him?

16 MR. DOUCET: Correct, yes.

17 MR. WOLSON, Q.C.: What was the
18 nature -- I want to go back to Bear Head now and
19 just go over some areas of Bear Head.

20 MR. DOUCET: M'hm.

21 MR. WOLSON, Q.C.: You started,
22 I'm assuming, working for Bear Head when -- Bear
23 Head/Bitucan/Karlheinz Schreiber?

24 MR. DOUCET: Sometime in 1988.

25 MR. WOLSON, Q.C.: Okay.

1 MR. DOUCET: I believe.

2 I have no specific recollection of
3 what obviously would be post-government service.

4 MR. WOLSON, Q.C.: Yes.

5 MR. DOUCET: As to the exact date,
6 I'm not sure.

7 MR. WOLSON, Q.C.: Okay. But you
8 think it was in '88?

9 MR. DOUCET: It was in '88, yes.

10 MR. WOLSON, Q.C.: And do you
11 recall the nature of your arrangement with
12 Schreiber or Bitucan or Bear Head in terms of how
13 you would be paid?

14 MR. DOUCET: Yeah. I'm going to
15 answer that question and I'm going to put it in
16 the context of the way I did business with all of
17 my clients ---

18 MR. WOLSON, Q.C.: Okay.

19 MR. DOUCET: --- initially.

20 What I did was enter into retainer
21 relationships, typically for periods of three-to-
22 five years.

23 MR. WOLSON, Q.C.: M'hm.

24 MR. DOUCET: A few exceptions,
25 maybe less, but most often, at least in the start-

1 up of my career and my business, it was
2 retainerships for three-to-five years and, in that
3 context, Bear Head would have been no exception.
4 So it would have been a retainer relationship from
5 the get-go, going forward for a period of years.
6 I'm not sure when it ended exactly, but that would
7 have been the ---

8 MR. WOLSON, Q.C.: So you would
9 expect a retainer to be paid to your office?

10 MR. DOUCET: Be paid to the
11 company, yes.

12 MR. WOLSON, Q.C.: To your
13 company, FDCI?

14 MR. DOUCET: Correct.

15 MR. WOLSON, Q.C.: And you would
16 use the retainer on the basis of -- how would you
17 bill for your services? Would it be on the basis
18 of an hourly rate?

19 MR. DOUCET: No.

20 MR. WOLSON, Q.C.: A fee for
21 service? A fee for success?

22 MR. DOUCET: No. The traditional
23 pattern was that you would negotiate a retainer
24 arrangement for a period of years ---

25 MR. WOLSON, Q.C.: Yes.

1 MR. DOUCET: --- for a fixed
2 amount and you would be paid on a periodic basis,
3 whether it be monthly or quarterly or whatever. I
4 think never fewer than semi-annually, but I may be
5 mistaken there, but that was the pattern.

6 MR. WOLSON, Q.C.: So you would be
7 paid a fee and divide it up over a number of
8 months?

9 MR. DOUCET: Yeah.

10 MR. WOLSON, Q.C.: And paid a
11 retainer?

12 MR. DOUCET: Yeah. Sometimes at
13 the front end, sometimes on the first stipulated
14 period, be it a month, three months, six months,
15 or a year for that matter.

16 MR. WOLSON, Q.C.: And in terms of
17 Mr. Schreiber or his companies, did he ever pay in
18 cash?

19 MR. DOUCET: Never.

20 MR. WOLSON, Q.C.: You would send
21 an invoice and he would send a cheque?

22 MR. DOUCET: Correct. Well, I
23 don't know if he would, but whatever company, I
24 would get a cheque; the company would get a
25 cheque.

1 MR. WOLSON, Q.C.: And that was
2 the only way you did business with him?

3 MR. DOUCET: Absolutely.

4 MR. WOLSON, Q.C.: And then, of
5 course, there would be a paper trail?

6 MR. DOUCET: Yes. There would be
7 an invoice and obviously the cheque.

8 MR. WOLSON, Q.C.: Do you know --
9 you may or may not, and you'll please advise if
10 you do -- whether your brother or Mr. Moores or
11 anyone at GCI, did they do business the same way
12 as you?

13 MR. DOUCET: I have no idea.

14 MR. WOLSON, Q.C.: Okay.

15 I'm going to go to Tab 10 of our
16 book, and at Tab 10, the first page of Tab 10 is
17 an invoice, or at least part of an invoice which
18 is being produced, indicating "FDCl, Fred Doucet
19 Consulting International". You have that?

20 MR. DOUCET: Yes.

21 MR. WOLSON, Q.C.: And it
22 indicates an invoice billed to Bitucan Holdings
23 with an address, and below that, "Attention: Mr.
24 Karlheinz Schreiber" and there's an invoice number
25 on the right-hand side with the date of November

1 2, '88.

2 MR. DOUCET: Correct.

3 MR. WOLSON, Q.C.: So I'm assuming
4 then that sometime in proximity to November 2,
5 '88, you started a business relationship with
6 Karlheinz Schreiber and his company, Bitucan?

7 MR. DOUCET: I think that's a fair
8 assumption based on this.

9 MR. WOLSON, Q.C.: And I'm
10 assuming that the work you were invoicing for was
11 to be on the Bear Head Project?

12 MR. DOUCET: That would be a fair
13 assumption. I have no particular recollection of
14 this invoice, but we did have a professional
15 relationship and it attached to the doings of Bear
16 Head.

17 MR. WOLSON, Q.C.: All right.

18 You weren't doing other business
19 for him that you recall at that time?

20 MR. DOUCET: No.

21 MR. WOLSON, Q.C.: It started off
22 with the Bear Head Project?

23 MR. DOUCET: Yeah. I have no
24 recollection that I did any other work for him.

25 MR. WOLSON, Q.C.: And you'll see

1 -- on the bottom of that first page, you'll see a
2 description, "Professional Services". Would that
3 be still part of your invoice, "Professional
4 Services, \$90,000"?

5 MR. DOUCET: I'm sorry, would it
6 be?

7 MR. WOLSON, Q.C.: Is that part of
8 your invoice where it says, "Re: Professional
9 Services, \$90,000", the middle part?

10 MR. DOUCET: Yeah, that would be
11 part of the invoice, yes.

12 MR. WOLSON, Q.C.: All right.

13 And then below there's a cheque
14 from Bitucan, which you knew to be one of Mr.
15 Schreiber's companies?

16 MR. DOUCET: Yes.

17 MR. WOLSON, Q.C.: With a Calgary
18 address on it?

19 MR. DOUCET: Correct. M'hm.

20 MR. WOLSON, Q.C.: And it appears
21 that you received from him a cheque, November 15,
22 '88. I'm not sure when you received it but,
23 nonetheless, it's made out to that date to you, to
24 your consulting company, in the amount of \$90,000?

25 MR. DOUCET: Correct.

1 MR. WOLSON, Q.C.: Bank of
2 Montreal?

3 MR. DOUCET: Correct. I'm looking
4 at the very same thing that you are.

5 MR. WOLSON, Q.C.: I don't want to
6 put words into your mouth.

7 MR. DOUCET: I have no
8 recollection of this ---

9 MR. WOLSON, Q.C.: Yes.

10 MR. DOUCET: --- at all, but I see
11 nothing here that is irregular.

12 MR. WOLSON, Q.C.: Is that
13 consistent with your practice?

14 MR. DOUCET: That would be
15 consistent with my practice, yes.

16 MR. WOLSON, Q.C.: All right.

17 If that can be -- if you're
18 content with that Mr. Houston, we could mark that
19 Exhibit 1 to be part of these proceedings?

20 --- EXHIBIT NO./PIÈCE NO. 1A:

21 Invoice from FDCI dated
22 November 2, 1988 for
23 Professional Services
24 rendered in the amount of
25 \$90,000 and copy of cheque

1 from Bitucan Holdings dated
2 November 15, 1988 in the
3 amount of \$90,000

4 MR. WOLSON, Q.C.: There are in
5 Tab 10 of the documents that I've given you, Mr.
6 Doucet, four other documents. Do you have any
7 knowledge of these four documents? And I'll go
8 through them.

9 The first one is Doucet &
10 Associates, and I'm assuming that would be your
11 brother?

12 MR. DOUCET: I think that's a fair
13 assumption. I have no knowledge of it.

14 MR. WOLSON, Q.C.: It indicates
15 "To Services Rendered by Gerald Doucet" in the
16 middle ---

17 MR. DOUCET: Yes.

18 MR. WOLSON, Q.C.: --- for the
19 same amount, \$90,000.

20 MR. DOUCET: I see that.

21 MR. WOLSON, Q.C.: The same date,
22 November 2, '88?

23 MR. DOUCET: Correct, yeah.

24 MR. WOLSON, Q.C.: And it
25 indicates "To Services Rendered by Gerald Doucet"

1 in the middle?

2 MR. DOUCET: Correct, yeah. M'hm.

3 MR. WOLSON, Q.C.: And it's a
4 cheque dated the same date as the cheque that was
5 made payable to your company, November 15th, in the
6 same amount, \$90,000?

7 MR. DOUCET: Correct.

8 MR. WOLSON, Q.C.: Do you have any
9 knowledge of that document?

10 MR. DOUCET: None. None
11 whatsoever.

12 MR. WOLSON, Q.C.: If you're okay
13 with that, Mr. Houston, I'm going to file it for
14 what it's -- for its use as part of Exhibit 1.

15 MR. HOUSTON: Fine.

16 MR. WOLSON, Q.C.: Make that
17 Exhibit -- make the first document Exhibit 1A, the
18 invoice to FDCI and the cheque to FDCI 1A; the
19 document dealing with your brother, 1B.

20 --- EXHIBIT NO./PIÈCE NO. 1B:

21 Invoice from Gerald Doucet
22 dated November 2, 1988 for
23 Professional Services
24 rendered in the amount of
25 \$90,000 and copy of a cheque

1 from Bitucan Holdings dated
2 November 15, 1988 in the
3 amount of \$90,000

4 MR. WOLSON, Q.C.: Then I'm going
5 to go through a third document which is an invoice
6 dated the 8th of November '88, Bitucan Holdings
7 Ltd., and it's an invoice for services rendered by
8 Frank D. Moores on your behalf -- not you, Mr.
9 Doucet, but to Bitucan and ---

10

11

12 MR. DOUCET: Correct.

13 MR. WOLSON, Q.C.: --- and then a
14 cheque dated the same date as your cheque and your
15 brother's cheque to -- pay to the order of Frank
16 Moores, \$90,000.

17 Do you have any knowledge of this
18 document?

19 MR. DOUCET: No, I do not.

20 MR. WOLSON, Q.C.: I'll make that
21 1C for the record.

22 --- EXHIBIT NO./PIÈCE NO. 1C:

23 Copy of a cheque dated November
24 15, 1988, paid to the order of
25 Frank Moores in the amount of

1 \$90,000

2 MR. WOLSON, Q.C.: I'm going to
3 skip one document and come back to it.

4 I'd like to refer to Lemoine
5 Consultants. Do you know who Lemoine Consultants
6 is? If I suggested Gary Ouellet, would you be
7 able to assist?

8 MR. DOUCET: Somewhere I have seen
9 a document. I think you brought it to my
10 attention, Bob, that connected Ouellet to Lemoine,
11 but that's ---

12 MR. WOLSON, Q.C.: You have no
13 personal knowledge?

14 MR. DOUCET: I have no personal
15 knowledge.

16 MR. WOLSON, Q.C.: All right.

17 It's an invoice dated December 1,
18 '88 to Bitucan Holdings for professional services
19 rendered, \$90,000.

20 MR. DOUCET: Correct.

21 MR. WOLSON, Q.C.: Again, a date
22 of a cheque below, same date as your cheque and
23 the other cheques that I have mentioned, November
24 15, '88 to Lemoine Consultants in the amount of
25 \$90,000.

1 MR. DOUCET: Correct.

2 MR. WOLSON, Q.C.: If that could
3 be 1D, please?

4 --- EXHIBIT NO./PIÈCE NO. 1D:

5 Copy of a cheque dated November
6 15, 1988, paid to the order of
7 Lemoine Consultants in the
8 amount of \$90,000

9 MR. HOUSTON: I think just for the
10 record, Mr. Wolson, there's an address at the
11 bottom of the page and that's the reference that
12 Mr. Doucet was referring to, apparently, the
13 personal address of ---

14 MR. DOUCET: Lemoine then.

15 MR. HOUSTON: --- we understand to
16 be the personal address of Mr. Ouellet, namely
17 James-Lemoine Sillery, Quebec. That's the only
18 understanding that I have through Mr. Doucet.

19 MR. WOLSON, Q.C.: I appreciate
20 it.

21 MR. HOUSTON: Apparently that's
22 how he gets Lemoine Consultants.

23 MR. WOLSON, Q.C.: I appreciate
24 that.

25 So that should be 1D and then

1 lastly ---

2 MR. DOUCET: Sorry. I have no
3 personal knowledge of this.

4 MR. WOLSON, Q.C.: All right.
5 Thank you, sir. No personal knowledge of that
6 Document 1D to Lemoine?

7 MR. DOUCET: No, I do not.

8 MR. WOLSON, Q.C.: Can you -- do
9 you have any explanation at all, and I'm assuming
10 not knowing the -- not knowing of the documents,
11 would you whether these other parties billed the
12 same as you at similar times?

13 MR. DOUCET: I have no knowledge
14 of that at all.

15 MR. WOLSON, Q.C.: Okay.

16 And then a last document in Tab 10
17 which is a document -- an invoice for GCI,
18 Government Consultants International, November 10,
19 '88, to Bitucan Holdings, consulting services
20 rendered, \$250,000.

21 Do you know anything about this
22 document?

23 MR. DOUCET: I do not.

24 MR. WOLSON, Q.C.: Or the cheque
25 that's also part of the document, November 15, '88

1 for \$250,000 to Government Consultants
2 International.

3 MR. DOUCET: I have no knowledge
4 of that.

5 MR. WOLSON, Q.C.: And perhaps
6 just to complete the package, 1E.

7 --- EXHIBIT NO./PIÈCE NO. 1E:

8 Copy of CGI invoice dated
9 November 10, 1988 to Bitucan
10 Holdings for consulting services
11 rendered in the amount of
12 \$250,000 and copy of a cheque
13 dated November 15, 1988 paid to
14 the order of Government
15 Consultants International in the
16 amount of \$250,000

17 MR. WOLSON, Q.C.: Were you
18 working in a relationship with GCI on behalf of
19 the Bear Head Project?

20 MR. DOUCET: No. I take your
21 question to mean did we have some kind of
22 agreement bilaterally?

23 MR. WOLSON, Q.C.: M'hm.

24 MR. DOUCET: No.

25 MR. WOLSON, Q.C.: Did you know

1 that GCI or its -- some of its principals were
2 also working on the Bear Head Project?

3 MR. DOUCET: Informally, yes.

4 MR. WOLSON, Q.C.: Did you know
5 what work they were doing compared to the work you
6 were doing?

7 MR. DOUCET: Not intimately.

8 MR. WOLSON, Q.C.: Yes.

9 MR. DOUCET: But periodically when
10 the matter would come up, they would indicate who
11 they had seen or spoken with and where they felt
12 the project was, and I would do likewise.

13 MR. WOLSON, Q.C.: What work were
14 you doing then in '88 and the years forward for
15 Bear Head?

16 MR. DOUCET: Okay. Well, in a
17 nutshell, I was endeavouring to assist Mr.
18 Schreiber in the promotion of the project
19 earmarked for Bear Head, Nova Scotia, the project
20 being the manufacturing of various types of
21 military vehicles.

22 MR. WOLSON, Q.C.: And what were
23 you doing exactly?

24 MR. DOUCET: A number of things.

25 I would provide him information,

1 advice and counsel as to how governments function,
2 how they come to make decisions on projects.

3 I would advise him as to whether
4 or not the intentions of Mr. Schreiber were suited
5 to what governments normally fund or approve. And
6 where such was the case, I would give him advice
7 on how to proceed through the various
8 relationships with government to seek and
9 hopefully to obtain such approvals.

10 MR. WOLSON, Q.C.: Were you
11 lobbying on his behalf?

12 MR. DOUCET: I would as part of my
13 job, yes, talk to individuals, promote the
14 project, give them information about the project
15 and why I thought it was -- it was and would be
16 beneficial to the province and to the country to
17 be involved in the support of this project.

18 MR. WOLSON, Q.C.: Did you lobby
19 the Prime Minister?

20 MR. DOUCET: I certainly would
21 have spoken with him several times.

22 MR. WOLSON, Q.C.: I mean Prime
23 Minister Mulroney, of course.

24 MR. DOUCET: Correct, yes. I
25 certainly would have spoken with him on several

1 times -- several occasions and telling him why I
2 thought the project was good and why I thought he
3 should think the project was good and, indeed,
4 others in his government.

5 MR. WOLSON, Q.C.: Do you recall
6 who?

7 MR. DOUCET: I certainly spoke
8 with Minister McKay, Elmer McKay.

9 MR. WOLSON, Q.C.: Yes. What was
10 your relationship with Minister McKay?

11 MR. DOUCET: Well, I think I first
12 met him -- he originally represented the
13 constituency next to St. LX University.

14 MR. WOLSON, Q.C.: Yes.

15 MR. DOUCET: So I met him
16 informally through his activities in politics
17 prior to the leadership. I'm guessing that I knew
18 him in the seventies and I got to know him better
19 in the eighties.

20 MR. WOLSON, Q.C.: Did you enjoy a
21 friendship with him?

22 MR. DOUCET: I did indeed.

23 MR. WOLSON, Q.C.: And still do?

24 MR. DOUCET: Still do.

25 MR. WOLSON, Q.C.: Yes.

1 You've indicated then when I asked
2 you who you lobbied in government, you indicated
3 that you met and talked to on many occasions the
4 Prime Minister?

5 MR. DOUCET: Several occasions.

6 MR. WOLSON, Q.C.: Yes, several
7 occasions.

8 MR. DOUCET: Yes.

9 MR. WOLSON, Q.C.: I'm assuming on
10 occasions with Mr. McKay?

11 MR. DOUCET: I have no particular
12 memory of meetings with -- when we were both there
13 ---

14 MR. WOLSON, Q.C.: Okay.

15 MR. DOUCET: --- talking about
16 this.

17 MR. WOLSON, Q.C.: Who else from
18 government would you have lobbied about the Bear
19 Head Project?

20 MR. DOUCET: Other than Mr. McKay,
21 I don't have any specific memory of any others.

22 MR. WOLSON, Q.C.: Okay. All
23 right.

24 Were you aware and did you -- let
25 me ask you first of all -- did you work on the --

1 an understanding in principle signed between
2 Thyssen, T-H-Y-S-S-E-N, the Thyssen Company and
3 government?

4 MR. DOUCET: I certainly didn't
5 work on the construction of the Memorandum of
6 Understanding. I certainly was aware of the
7 importance that Mr. Schreiber attached to that
8 document and I certainly, when I came onto his
9 assignment, was interested in its promotion.

10 MR. WOLSON, Q.C.: I can tell you
11 that the understanding in principle between
12 Thyssen and the Canadian Government was signed on
13 the 27th of September, 1988.

14 Does that resonate with you at
15 all?

16 MR. DOUCET: That's the timeframe
17 I would have given you if you would have asked me
18 when it was signed.

19 MR. WOLSON, Q.C.: Okay. And were
20 you aware that when it was signed that Mr.
21 Schreiber or one of his companies received from
22 the Thyssen Corporation a substantial amount of
23 money?

24 MR. DOUCET: I was not aware of
25 that until I saw it being -- being made public.

1 MR. WOLSON, Q.C.: Close to \$4
2 million?

3 MR. DOUCET: That's what I was
4 told, yeah. But I have no recollection of knowing
5 that at the time.

6 MR. WOLSON, Q.C.: Did you receive
7 any success fee when that was signed?

8 MR. DOUCET: The only fees I
9 received were fees that were invoiced for services
10 rendered or to be rendered.

11 MR. WOLSON, Q.C.: When you
12 invoiced that \$90,000 invoice on November 2nd, 1988
13 and paid on November 15th, '88, that was in fairly
14 close proximity to the understanding and principle
15 being signed?

16 MR. DOUCET: Correct.

17 MR. WOLSON, Q.C.: Would you then
18 have -- would you have maintained the retainer fee
19 in some kind of trust account or did you, when
20 received, is that simply part of income you would
21 have attributed to your company?

22 MR. DOUCET: That would have been
23 income I would have attributed to my company.

24 I have no knowledge as to what its
25 relationship was with respect to any specific unit

1 of work.

2 MR. WOLSON, Q.C.: Yes.

3 MR. DOUCET: Presumably, it was
4 then on his watch and I was performing whatever
5 work was being assigned to me pursuant to that
6 retainership.

7 MR. WOLSON, Q.C.: And you would
8 work on that \$90,000 retainer until it was
9 completed, until that retainer was completed?

10 MR. DOUCET: Well, the \$90,000 I
11 don't think was a payment for the entire
12 relationship that I had with him.

13 MR. WOLSON, Q.C.: Yes.

14 MR. DOUCET: It was a payment to a
15 retainership that had a life that ended somewhere
16 in '93-'94. I'm not sure when.

17 MR. WOLSON, Q.C.: All right.

18 MR. DOUCET: And I received other
19 payments for which I invoiced thereafter.

20 MR. WOLSON, Q.C.: Do you recall
21 how much? Would there be a record of it, for
22 instance?

23 MR. DOUCET: All the records that
24 I have, I have submitted to you.

25 MR. WOLSON, Q.C.: Okay.

1 MR. HOUSTON: And as previously
2 advised your office, Mr. Wolson, on the
3 recommendation of his accountant in 2006 I believe
4 it was, all his records pre-2000 were shredded in
5 accordance with the suggestion of the accountant.
6 There was no purpose to keep them any longer. So
7 he doesn't have his business records or his
8 banking records for that reason.

9 MR. WOLSON, Q.C.: Thank you, sir.
10 Do you have an idea as to the
11 amount of money you would have further invoiced
12 Mr. Schreiber or Bitucan or his companies?

13 MR. DOUCET: I would have to do
14 the tally based on whatever information we
15 submitted.

16 MR. WOLSON, Q.C.: Can you
17 approximate?

18 MR. DOUCET: I will attempt to
19 approximate but I hope it will stay in that
20 context because I have no -- I'm just making a
21 multiplication. I think that my billings were in
22 the order of \$5,000 a month.

23 MR. WOLSON, Q.C.: Yes.

24 MR. DOUCET: And if I do the
25 arithmetic of the retainership period for, say,

1 three years or four years, that would give you ---

2 MR. WOLSON, Q.C.: All right.

3 MR. DOUCET: That would give you
4 the sum. Let's say ---

5 MR. WOLSON, Q.C.: So \$5,000 a
6 month for however long you had the retainership?

7 MR. DOUCET: Beyond the \$90,000
8 that was paid, yes.

9 MR. WOLSON, Q.C.: All right.
10 Thank you, sir.

11 I want to go to Tab 7 please, to
12 August 19th.

13 MR. DOUCET: M'hm.

14 MR. WOLSON, Q.C.: Before I make
15 reference to this document, and I do it for one
16 purpose only, is there any issue, Mr. Houston?

17 MR. HOUSTON: Not that I'm aware
18 of.

19 Do you see any reference on that
20 page?

21 MR. DOUCET: No.

22 MR. HOUSTON: Neither for the 18th
23 or the 19th.

24 MR. WOLSON, Q.C.: All right.

25 I'm concerned ---

1 MR. DOUCET: You can see, Mr.
2 Wolson, that on that date the importance that I
3 attach to my treadmill.

4 MR. HOUSTON: There's been a
5 reference to the treadmill. He's in physio at the
6 time at ---

7 MR. WOLSON, Q.C.: Well, that's
8 why you look so fit.

9 August the 19th, in the middle of
10 the morning, 11:00 o'clock ---

11 MR. DOUCET: M'hm.

12 MR. WOLSON, Q.C.: --- you have
13 "FM re: Bear Head".

14 MR. DOUCET: M'hm.

15 MR. WOLSON, Q.C.: You see that,
16 sir?

17 MR. DOUCET: I do.

18 MR. WOLSON, Q.C.: And would "FM"
19 mean Frank Moores?

20 MR. DOUCET: It could. I presume
21 it does because of the association with Bear Head.

22 MR. WOLSON, Q.C.: All right.

23 And that would be in your mind,
24 I'm assuming, some work you did on that day
25 regarding Bear Head?

1 MR. DOUCET: I have no
2 recollection of what that -- normally when I
3 circle a time it means an appointment by phone or
4 in person, but as to the content of the call or
5 the meeting I have no recollection.

6 MR. WOLSON, Q.C.: Can we assume
7 that you were occupied in some regard on Bear Head
8 on that day?

9 MR. DOUCET: I think you could
10 assume that.

11 MR. WOLSON, Q.C.: And for the
12 record, that's August 19th, 1988.

13 MR. DOUCET: Correct.

14 MR. WOLSON, Q.C.: And with your
15 consent then it will become the next exhibit,
16 Exhibit 2 please, for this interview.

17 --- EXHIBIT NO./PIÈCE NO. 2:

18 Agenda entry dated August 19,
19 reference to "FM re: Bear
20 Head".

21 MR. HOUSTON: Just for the record, of
22 course, the photocopy is for the 18th as well, but when
23 you put in the document, I mean, it sits there for the
24 two days obviously ---

25 MR. WOLSON, Q.C.: Yes ---

1 MR. HOUSTON: --- the way it's
2 photocopied.

3 MR. WOLSON, Q.C.: --- it is. I
4 refer only to the 19th. And if you would be happier I
5 can make a photocopy just of the ---

6 MR. HOUSTON: No, I'm just making an
7 observation, Mr. Wolson.

8 MR. WOLSON, Q.C.: Okay. Thank you,
9 sir.

10 Then I'd like you to turn to the 29th
11 of September, 1988.

12 MR. DOUCET: Yes.

13 MR. WOLSON, Q.C.: I'll give you a
14 minute to look at that.

15 I'm interested in one area on the 29th
16 of September where there's a notation "8:00 p.m.
17 briefing of Massmann, Delta Hotel".

18 MR. DOUCET: Yes, I see that.

19 MR. WOLSON, Q.C.: First of all, I
20 don't know whether I've properly had you describe for
21 the record -- you've told us that Bear Head was a
22 project in Nova Scotia that Mr. Schreiber was pursuing.
23 Is that so, sir?

24 MR. DOUCET: Correct, yes.

25 MR. WOLSON, Q.C.: What was the

1 relationship, to your understanding, of the Thyssen
2 Company with headquarters in Germany, Mr. Schreiber and
3 Bear Head?

4 MR. DOUCET: My understanding was
5 that Bear Head, per se, was a project.

6 MR. WOLSON, Q.C.: Yes.

7 MR. DOUCET: Bear Head Industries,
8 BHI, was a subsidiary or at least a related company to
9 Thyssen Germany.

10 MR. WOLSON, Q.C.: Yes.

11 MR. DOUCET: As to the affection
12 between the two I can't be certain.

13 MR. WOLSON, Q.C.: So Thyssen had an
14 involvement, you know, in the Bear Head Project?

15 MR. DOUCET: Well, Thyssen was the --
16 had the technology on the manufacturing of these
17 military vehicles.

18 MR. WOLSON, Q.C.: Yes, they are a
19 pretty substantial ---

20 MR. DOUCET: Yes.

21 MR. WOLSON, Q.C.: --- company, to
22 your knowledge, in Europe and worldwide.

23 MR. DOUCET: Yeah, were. I think
24 they've changed in terms of their corporate ownership
25 but at the time, very much so, yeah.

1 MR. WOLSON, Q.C.: Yes. This was an
2 international company, to your knowledge, that was a
3 big conglomerate in the arms and technology and
4 building type of military vehicles that the Bear Head
5 Project involved?

6 MR. DOUCET: I don't know anything
7 about them beyond the military vehicle component.

8 MR. WOLSON, Q.C.: All right.

9 MR. DOUCET: But certainly they were
10 large, very significant, very well known at the time.

11 MR. WOLSON, Q.C.: I'm advised, and
12 perhaps you could help me about this, Mr. Massmann was
13 with the Thyssen Company?

14 MR. DOUCET: Correct.

15 MR. WOLSON, Q.C.: Then I refer,
16 with that background, to September 29 of '88. It
17 indicates:

18 "8:00 p.m., Briefing of
19 Massmann, Delta Hotel."

20 MR. DOUCET: Yeah, I see that.

21 MR. WOLSON, Q.C.: Do you recall
22 meeting with Mr. Massmann?

23 MR. DOUCET: I don't recall that
24 particular entry. I do recall meetings where Mr.
25 Massmann was present -- several.

1 MR. WOLSON, Q.C.: And you had a
2 business relationship with him?

3 MR. DOUCET: Well, only through
4 Mr. Schreiber.

5 MR. WOLSON, Q.C.: Yes.

6 MR. DOUCET: Yeah.

7 MR. WOLSON, Q.C.: And Mr.
8 Massmann was with the Thyssen Corporation or
9 Company in some regard, you were advised?

10 MR. DOUCET: Yes. I also think
11 that he had some kind of corporate relationship
12 with Bear Head Industries as well.

13 MR. WOLSON, Q.C.: Okay. But it's
14 quite clear that that would have been work on the
15 Bear Head project for ---

16 MR. DOUCET: Correct, correct.

17 MR. WOLSON, Q.C.: And that's
18 September the 29th, 1988?

19 MR. DOUCET: Yes.

20 MR. WOLSON, Q.C.: Perhaps that
21 can be the next exhibit, with your consent?

22 MR. HOUSTON: Fine.

23 --- EXHIBIT NO./PIÈCE NO. 3:

24 Agenda entry dated September
25 29, 1988 re meeting between

1 Mr. Doucet and Mr. Massmann

2 MR. WOLSON, Q.C.: You can take
3 the yellow tab off the right of that. That's just
4 for my own use.

5 That meeting on the 29th, you don't
6 take issue that there was a meeting, I'm assuming?

7 MR. DOUCET: Take issue in the
8 sense that ---

9 MR. WOLSON, Q.C.: Your note in
10 your diary indicates that there was a briefing.
11 That would likely be a meeting.

12 MR. DOUCET: Correct.

13 MR. WOLSON, Q.C.: You don't
14 recall the meeting today ---

15 MR. DOUCET: No, I don't.

16 MR. WOLSON, Q.C.: --- but it's in
17 your diary and you would assume, therefore, that
18 you met with Massmann?

19 MR. DOUCET: Correct.

20 MR. WOLSON, Q.C.: You recall
21 whether anyone -- obviously you wouldn't recall
22 who else was there.

23 MR. DOUCET: I don't know.

24 MR. WOLSON, Q.C.: All right.

25 That's just two days after the

1 Understanding in Principle was signed, this being
2 the 29th of September, '88.

3 MR. DOUCET: M'hm.

4 MR. WOLSON, Q.C.: Was there -- or
5 do you know whether or not after the Understanding
6 in Principle was signed, whether your work -- you
7 did an increasing amount of work over a short
8 period after that, do you recall?

9 MR. DOUCET: No. The work flow
10 with Mr. Schreiber was -- I think as my diaries
11 will indicate -- was ongoing. There may have been
12 ups and downs in the activity as to when he was in
13 Canada and when he was in Europe, but it was a
14 work flow that continued for those years that I
15 mentioned before.

16 MR. WOLSON, Q.C.: Did you develop
17 -- obviously you had a business relationship with
18 Mr. Schreiber.

19 MR. DOUCET: Yes.

20 MR. WOLSON, Q.C.: Did you develop
21 a friendship with him?

22 MR. DOUCET: Yes, I would say that
23 I did develop a friendship with him. Yes.

24 MR. WOLSON, Q.C.: At that time
25 you trusted him?

1 MR. DOUCET: I did.

2 MR. WOLSON, Q.C.: When he told
3 you things you believed them to be true?

4 MR. DOUCET: I did.

5 MR. WOLSON, Q.C.: There were no
6 instances where you could say, I'm assuming, that
7 you became concerned about him in the early years
8 in terms of his veracity, his truthfulness?

9 MR. DOUCET: I'm sorry, would you
10 mind repeating that?

11 MR. WOLSON, Q.C.: There were no
12 times in the early years of your relationship with
13 Mr. Schreiber where you had any concerns about his
14 honesty?

15 MR. DOUCET: That's correct.

16 MR. WOLSON, Q.C.: Or his
17 truthfulness?

18 MR. DOUCET: That's correct.

19 MR. WOLSON, Q.C.: And I take it
20 that would have continued for some years?

21 MR. DOUCET: That is correct.

22 MR. WOLSON, Q.C.: When did the
23 relationship change?

24 MR. DOUCET: In terms of work or
25 in terms of ---

1 MR. WOLSON, Q.C.: In terms of
2 your belief in the man as to his honesty and as to
3 his truthfulness, if it changed at all.

4 MR. DOUCET: Yeah. Well, it
5 certainly changed. As to ---

6 MR. WOLSON, Q.C.: And I might say
7 I ask that question only in relation to what I
8 read of your evidence at the Ethics Committee.

9 MR. DOUCET: Sure. The one is
10 hard for me to answer because I don't think that
11 there was a day specific or even a month specific
12 or -- but when I started wondering I think would
13 have been initially at the time of his arrest in
14 Toronto.

15 MR. WOLSON, Q.C.: That would be
16 in 1999.

17 MR. DOUCET: Help me with that,
18 Bob.

19 MR. HOUSTON: That's when he was
20 arrested.

21 MR. DOUCET: Okay, 1999.

22 MR. HOUSTON: August, I believe,
23 of 1999.

24 MR. DOUCET: Okay. That would
25 have been at the time when I would have started

1 wondering, you know, "This is a former client.
2 What's going on?"

3 MR. WOLSON, Q.C.: Okay.

4 MR. DOUCET: As to coming to
5 conclusions at that time, I don't recall that I
6 did that but it did shake me.

7 I also became concerned when he
8 began to become, I would say, friendly with the
9 media, particularly The Fifth Estate, because of
10 his earlier indications that never in a million
11 years would he cater to a media that, as a matter
12 of fact on one occasion he told me he was suing.

13 So that further made me wonder
14 about him.

15 MR. WOLSON, Q.C.: Can I ask you
16 then, sir, up until that time did you believe in
17 his honesty?

18 MR. DOUCET: I did.

19 MR. WOLSON, Q.C.: And you would
20 accept his word as being, as far as you knew, an
21 honest one?

22 MR. DOUCET: I would, yeah.

23 MR. WOLSON, Q.C.: And you had no
24 reason to believe during the time you worked with
25 him, or indeed up until 1999, that he wasn't

1 anything but (a) a good client and (b) an honest
2 person?

3 MR. DOUCET: That is correct.

4 MR. WOLSON, Q.C.: Do you recall -
5 - and I'm going to come to 1999 in the next little
6 while, but I want to go back to the Bear Head
7 project.

8 MR. DOUCET: Yes.

9 MR. WOLSON, Q.C.: Do you recall
10 when the bulk of your work was done on this
11 project?

12 MR. DOUCET: Certainly by 1994 the
13 project, insofar as it included me, was done.
14 There were ebbs and flows. I would say that
15 lion's share of the project occurred in the late
16 eighties, early nineties. That was when there
17 would have been a peak. There were ebbs and flows
18 coming onto the peak and there were ebbs and flows
19 after that but it never peaked again to the height
20 that it was in the late eighties, early nineties.

21 As to when it officially ended, I
22 have no exact recollection other than the
23 timeframe I'm telling you now.

24 MR. WOLSON, Q.C.: You've
25 indicated, when you testified before the Ethics

1 Committee -- and I only use it as a point of
2 reference.

3 MR. DOUCET: Sure.

4 MR. WOLSON, Q.C.: You've
5 indicated that you had stopped working on the
6 project and was off the payroll for Mr. -- from
7 Mr. Schreiber in the fall of '92.

8 MR. DOUCET: Yeah. Off the
9 payroll did not necessarily in my mind mean off
10 the project.

11 MR. WOLSON, Q.C.: Okay.

12 MR. DOUCET: Because I continued
13 to try to nurture the relationship, which I
14 valued, for the purpose of promoting my company
15 for potential or future work.

16 MR. WOLSON, Q.C.: Yes.

17 MR. DOUCET: So I continued to
18 carry on a relationship with him, to provide
19 advice at his request and even to proffer it when
20 it wasn't requested, in the hope that if anything
21 ever came of the project I might have a future
22 relationship ongoing with him.

23 MR. WOLSON, Q.C.: All right.

24 Going back to the late eighties
25 and early nineties where the bulk of your work was

1 done on the Bear Head project, were you aware at
2 all that the Prime Minister, Prime Minister
3 Mulroney, had killed the project, according to at
4 least Mr. Spector, in 1990?

5 MR. DOUCET: I was not aware of
6 that, no.

7 MR. WOLSON, Q.C.: In your
8 conversations with Prime Minister Mulroney did he
9 advise you as to that?

10 MR. DOUCET: I'm sorry, did he ---

11 MR. WOLSON, Q.C.: In your
12 conversations with Prime Minister Mulroney ---

13 MR. DOUCET: Yes.

14 MR. WOLSON, Q.C.: --- subsequent
15 to late 1990, did Prime Minister Mulroney advise
16 you that the project was no longer viable?

17 MR. DOUCET: I don't recall the
18 conversation coming up either way, but I have no
19 memory of knowing that the project was dead.

20 Now, let me explain something.

21 MR. WOLSON, Q.C.: Sure, please.

22 MR. DOUCET: The project, if you
23 tie it to Nova Scotia, the Bear Head Peninsula, is
24 one thing. The project in terms of other possible
25 locations for the manufacturing facility is

1 another thing.

2 So when I say I had no indication
3 that the project was dead, I'm referring to the
4 generic project, independent of location specific.

5 MR. WOLSON, Q.C.: Let's perhaps
6 go there now. The initial energy, the initial
7 project was to be at Bear Head?

8 MR. DOUCET: Correct, Nova Scotia.

9 MR. WOLSON, Q.C.: Nova Scotia.

10 MR. DOUCET: Yes.

11 MR. WOLSON, Q.C.: In the Straits
12 of Canso?

13 MR. DOUCET: Correct, yes.

14 MR. WOLSON, Q.C.: And a
15 particular area was an area that needed jobs
16 badly?

17 MR. DOUCET: Very much so.

18 MR. WOLSON, Q.C.: And what was
19 your understanding of the project in that area?
20 What was to happen, as far as you knew?

21 MR. DOUCET: My understanding was
22 that the Province of Nova Scotia would be a party
23 to making available by some concession the lands
24 of the Bear Head area. Whether these concessions
25 were outright granting of the land or lease of the

1 land or sale of the land at a preferred price, I
2 don't know for certain, but I know that the
3 Province of Nova Scotia was involved in
4 facilitating that that be the site for the
5 manufacturing facility.

6 MR. WOLSON, Q.C.: Yes.

7 And it was the Thyssen Company
8 that was going to provide the technology?

9 MR. DOUCET: Correct.

10 MR. WOLSON, Q.C.: And what was to
11 be built? What types of vehicles, to your
12 knowledge, were to be built?

13 MR. DOUCET: They were military
14 vehicles, heavy armoured.

15 MR. WOLSON, Q.C.: Yes.

16 MR. DOUCET: I really cannot
17 remember any more detail than that. I remember
18 seeing pictures of them.

19 MR. WOLSON, Q.C.: Yes.

20 MR. DOUCET: I remember being
21 briefed on them. I remember, in particular, Mr.
22 Schreiber showing a piece of armament where he
23 indicated that bullet piercing would be
24 prevented with this kind of armament versus other
25 kinds of military vehicles where bullets would be

1 able to penetrate much more easily and his fervent
2 hope that the Government of Canada would prefer
3 the former to the latter in view of its role in
4 peacekeeping, peacemaking and, for that matter,
5 war events.

6 MR. WOLSON, Q.C.: How would you
7 describe Mr. Schreiber in the time you knew him
8 prior to, say, 1999?

9 MR. DOUCET: How would I describe
10 him?

11 MR. WOLSON, Q.C.: How would you
12 describe him. His personality, how would you
13 describe that?

14 MR. DOUCET: Well, he was an
15 affable person.

16 MR. WOLSON, Q.C.: Yes.

17 MR. DOUCET: He was certainly
18 deeply committed to his project. I didn't
19 socialize with him ---

20 MR. WOLSON, Q.C.: Yes.

21 MR. DOUCET: --- very often.

22 As a matter of fact, I could
23 probably count on one hand the number of times
24 that we socialized in that sense, but in terms of
25 his personality, I took him to be an honest

1 entrepreneur -- emphasize entrepreneur.

2 MR. WOLSON, Q.C.: Aggressive in
3 nature?

4 MR. DOUCET: Aggressive in nature,
5 yes.

6 MR. WOLSON, Q.C.: In terms of
7 trying to sell something he believed in?

8 MR. DOUCET: Correct.

9 And he certainly gave me every
10 indication that he veritably believed in the
11 product he was attempting to sell, and he was able
12 to pass it on to others, including me.

13 MR. WOLSON, Q.C.: Did he appear
14 to know a lot of people in government? Did he
15 appear to know Mr. Mulroney, for instance?

16 MR. DOUCET: I think he appeared,
17 based on his statements, to know more than he in
18 fact did know.

19 MR. WOLSON, Q.C.: Okay.

20 MR. DOUCET: He was easily given
21 to name dropping, if I may say -- put it that way.

22 MR. WOLSON, Q.C.: Yes.

23 MR. DOUCET: Of course, in a lot
24 of cases I had no way of knowing whether these
25 were drops or whether these were real,

1 particularly when he referred to people from
2 Europe.

3 MR. WOLSON, Q.C.: Do you know
4 whether he had a relationship with Prime Minister
5 Mulroney?

6 MR. DOUCET: To the best of my
7 knowledge, there was nothing that was anywhere
8 approaching a close relationship. I think he
9 esteemed him a great deal. That is to say Mr.
10 Schreiber esteemed Mr. Mulroney a great deal. I
11 think he thought that he was a remarkable
12 individual, a politician, but in terms of an
13 intimate relationship, he certainly -- Schreiber
14 never confirmed -- conveyed that to me.

15 MR. WOLSON, Q.C.: Okay.

16 MR. DOUCET: Nor do I know it to
17 have been the case. In fact, quite the contrary.

18 MR. WOLSON, Q.C.: Now, it's 10
19 minutes to 12:00. The clock is behind an hour.

20 MR. DOUCET: Yes.

21 MR. WOLSON, Q.C.: Perhaps you
22 could give me some direction, a) do you want to
23 break now? Do you want to break for lunch? Do
24 you want to take a short break, or give me an idea
25 as to what would best suit both of you?

1 MR. HOUSTON: What's your timing
2 do you feel at this point as to how long you're
3 going to be from this point forward?

4 MR. WOLSON, Q.C.: I'm about a
5 little less than halfway through. We've been at
6 it now for about an hour-and-a-half approximately.

7 MR. HOUSTON: Right.

8 It's your call, Fred. When do you
9 want to take a break?

10 MR. DOUCET: Well ---

11 MR. WOLSON, Q.C.: Do you want to
12 take five minutes now and ---

13 MR. DOUCET: I'm okay as to the
14 now.

15 MR. WOLSON, Q.C.: Yes.

16 MR. DOUCET: But if any others
17 want to take a break, I'll go along. I would like
18 to be able to hit the treadmill by about 12:30, if
19 that's okay?

20 MR. WOLSON, Q.C.: So why don't we
21 break at 12:15 and that will give you time to be
22 on the mill by 12:30?

23 MR. DOUCET: Yes. I need to tell
24 you that it takes me two hours. I'm not bragging
25 here, but by the time I warm up and do my thing

1 and shower and so on, the ---

2 MR. WOLSON, Q.C.: Okay. Why
3 don't we break at 12:00, noon. I'll go on for
4 about 10 or 15 minutes and we could reconvene at
5 2:00?

6 MR. HOUSTON: That's fine.
7 Does that work, Fred?

8 MR. DOUCET: That's okay.

9 MR. HOUSTON: Okay. Perfect.

10 MR. WOLSON, Q.C.: Thank you then.
11 Tab 14 of the documents that I
12 provided to you are excerpts of your diaries that
13 have been redacted that I believe you provided to
14 the Ethics Committee?

15 MR. HOUSTON: That's correct. And
16 I can tell you that I was the one that redacted
17 it, based on ---

18 MR. WOLSON, Q.C.: That's fine.

19 MR. HOUSTON: --- Mr. Doucet's
20 instructions.

21 MR. WOLSON, Q.C.: That's fine.

22 And I want to go through some of
23 these, and perhaps I'll file them all as one
24 exhibit, if you're content with that.

25 It's Tab 14. First of all, I'd

1 like to go through -- or I'd like to refer you to
2 April the 5th, 1991.

3 MR. HOUSTON: Yes, we have it in
4 front of us.

5 MR. WOLSON, Q.C.: Could you read
6 that for me, "Call..." ---

7 MR. DOUCET: "...Traubetz kay..."

8 MR. WOLSON, Q.C.: Yes.

9 MR. DOUCET: "...re: Benoit
10 Bouchard..."

11 I presume.

12 MR. WOLSON, Q.C.: And was that --
13 or do you know whether that is in relation to the
14 Bear Head Project?

15 MR. DOUCET: No, no.

16 MR. WOLSON, Q.C.: All right.

17 MR. DOUCET: Traubetz kay was an
18 executive with a French company, the name of which
19 escapes me now, but it had nothing to do with Bear
20 Head.

21 MR. WOLSON, Q.C.: Perhaps we
22 could go to the 12th of April? You have here -- on
23 the 12th of April you have circled on the right-
24 hand side "Bear Head Thyssen Head Office".

25 MR. DOUCET: M'hm.

1 MR. WOLSON, Q.C.: Because this is
2 being recorded, I would prefer if you would
3 answer.

4 MR. DOUCET: Sorry. Yes, I see
5 that, yes.

6 MR. WOLSON, Q.C.: Thank you.
7 And do you know what that's in
8 relation to?

9 MR. DOUCET: I would commonly
10 refer to the Bear Head offices in Ottawa as the
11 Thyssen Office.

12 MR. WOLSON, Q.C.: Okay.

13 MR. DOUCET: So I'm presuming that
14 that's what that meant.

15 MR. WOLSON, Q.C.: And then you
16 have at a line at 12 o'clock ---

17 MR. DOUCET: Yes.

18 MR. WOLSON, Q.C.: --- "Going to
19 PM's lunch".

20 MR. DOUCET: This is in year ---

21 MR. HOUSTON: It's 1991.

22 MR. WOLSON, Q.C.: This is 1991.

23 MR. DOUCET: Yes.

24 MR. WOLSON, Q.C.: February --
25 April 12th, Friday.

1 MR. DOUCET: Yes, I see that.

2 MR. WOLSON, Q.C.: PM's lunch
3 would be Prime Minister Mulroney's lunch?

4 MR. DOUCET: I would take it to be
5 that, yes.

6 MR. WOLSON, Q.C.: And that would
7 be you were attending the lunch with him in all
8 likelihood?

9 MR. DOUCET: I would take it to be
10 that.

11 MR. WOLSON, Q.C.: I'm going to --
12 I'm only going to file documents regarding the
13 diary that I feel may be relevant. So perhaps
14 that will be the next ---

15 MR. HOUSTON: Exhibit 4.

16 MR. WOLSON, Q.C.: Exhibit 4A, or
17 whatever numbering we used on Exhibit 1 -- or
18 lettering I should say.

19 MR. HOUSTON: All right. Exhibit
20 4A.

21 --- EXHIBIT NO./PIÈCE NO. 4A:

22 Agenda page dated April 16,
23 1991

24 MR. WOLSON, Q.C.: I want to go
25 then go to the 16th of April.

1 MR. DOUCET: Yes.

2 MR. WOLSON, Q.C.: It indicates
3 "8:30 call Norm Spector".

4 MR. DOUCET: M'hm.

5 MR. WOLSON, Q.C.: Your answer is
6 yes?

7 MR. DOUCET: Yes, I'm sorry. Yes.

8 MR. WOLSON, Q.C.: And Mr. Spector
9 was whom at that time?

10 MR. DOUCET: Nineteen ninety-one
11 (1991). I'm guessing here because I don't have a
12 schedule clearly in mind as to when he became and
13 ceased to be in the Prime Minister's Office. At
14 one point he was the Chief of Staff to the Prime
15 Minister but he had other government functions
16 before that so I'm not sure of the timeframe
17 there.

18 MR. WOLSON, Q.C.: Did you have a
19 relationship with Mr. Spector?

20 MR. DOUCET: Yes, I did. When he
21 was working with the -- with one of the provinces,
22 I believe British Columbia, he sat as a Deputy I
23 believe to the Premier at the time, and therefore
24 at First Minister's meetings he would be present.
25 You may recall, I referred to ---

1 MR. WOLSON, Q.C.: Yes.

2 MR. DOUCET: So that I think is
3 where I first met him.

4 MR. WOLSON, Q.C.: Did you develop
5 a friendship with him?

6 MR. DOUCET: Yes, nothing
7 particularly close but friendly, you know. And I
8 think, if this is relevant, recommended him at
9 some point to become the Chief of Staff to the
10 Prime Minister.

11 MR. WOLSON, Q.C.: All right.

12 And you have at the bottom of that
13 page, the 16th of April of 1991, you have "6:00 pm"
14 -- or "6:00 o'clock" and then you have "PM Delta".
15 Prime Minister?

16 MR. DOUCET: I don't think so.
17 I'm guessing here but I think it's "6:00 o'clock
18 PM".

19 MR. WOLSON, Q.C.: Okay.

20 MR. DOUCET: Six p.m. because my -
21 - the list of times ceases at 5:30. So if you
22 look on the left-hand column, 17:30.

23 MR. WOLSON, Q.C.: So it may have
24 nothing to do with seeing the Prime Minister?

25 MR. DOUCET: Correct, yes.

1 MR. WOLSON, Q.C.: And I won't
2 pursue that.

3 MR. DOUCET: I'm not -- I'm
4 guessing here.

5 MR. WOLSON, Q.C.: Did you, in
6 your diary, refer to "PM" as meaning Prime
7 Minister at times?

8 MR. DOUCET: Sometimes, yes.

9 MR. WOLSON, Q.C.: Okay.
10 Sometimes you would refer to him as Brian?

11 MR. DOUCET: Sometimes, never in
12 public.

13 MR. WOLSON, Q.C.: I understand
14 that.

15 MR. DOUCET: But I would refer to
16 him, as far as my daybook is concerned, as PM,
17 MBM, BM.

18 MR. WOLSON, Q.C.: Okay. And I
19 would assume -- I don't know this, but I would
20 assume that in your relations with him you would
21 be on a first-name basis, certainly, perhaps not
22 publicly but certainly privately?

23 MR. DOUCET: Oh, absolutely.

24 MR. WOLSON, Q.C.: I want to go to
25 the 24th of April.

1 MR. DOUCET: M'hm. Yes.

2 MR. WOLSON, Q.C.: You have a note
3 at the bottom of the page "Tellier to have
4 called".

5 MR. DOUCET: Correct.

6 MR. WOLSON, Q.C.: Who is Tellier?

7 MR. DOUCET: Tellier was the Clerk
8 of the Privy Council.

9 MR. WOLSON, Q.C.: Yes. And is
10 that Paul Tellier?

11 MR. DOUCET: Paul Tellier, yeah.

12 MR. WOLSON, Q.C.: Did he have
13 some involvement with government in terms of
14 someone that you would have been involved in with
15 the Bear Head Project?

16 MR. DOUCET: Yes, including
17 himself.

18 MR. WOLSON, Q.C.: Yes.

19 MR. DOUCET: Because in his
20 capacity as being at the centre of the government,
21 projects that required interdepartmental
22 involvement ---

23 MR. WOLSON, Q.C.: Yes.

24 MR. DOUCET: --- not infrequently
25 the Clerk of the Privy Council would cause to have

1 these interdepartmental meetings take place and in
2 some cases the Clerk or one of his associates
3 would chair such an interdepartmental committee or
4 group.

5 MR. WOLSON, Q.C.: So you would
6 have had access to him to lobby the Bear Head
7 Project?

8 MR. DOUCET: Yeah, I want to
9 qualify that. I would not have had any particular
10 access more than anyone else in my business, I
11 wouldn't think.

12 MR. WOLSON, Q.C.: Was he a
13 friend?

14 MR. DOUCET: He was a professional
15 acquaintance. I wouldn't consider him beyond
16 that.

17 MR. WOLSON, Q.C.: All right.
18 Perhaps that could be the next ---

19 MR. BATTISTA: Four (4)B.

20 MR. WOLSON, Q.C.: --- 4B.

21 --- EXHIBIT NO./PIÈCE NO. 4B:

22 Agenda page dated April 24,
23 1991

24 MR. WOLSON, Q.C.: And I've got
25 about seven or eight or nine of these. Perhaps

1 we'll do these ---

2 MR. DOUCET: Sure.

3 MR. WOLSON, Q.C.: --- and then
4 retire for the lunch break.

5 MR. HOUSTON: Fine.

6 MR. WOLSON, Q.C.: All right.

7 The 23rd of May, 8:00 o'clock --
8 "8:00 o'clock in the morning..." ---

9 MR. DOUCET: M'hm.

10 MR. WOLSON, Q.C.: "...re: MBM"

11 MR. DOUCET: M'hm.

12 MR. WOLSON, Q.C.: That would be
13 the Prime Minister?

14 MR. DOUCET: That would be the
15 Prime Minister.

16 MR. WOLSON, Q.C.: And it says
17 "Meeting".

18 MR. DOUCET: Yes.

19 MR. WOLSON, Q.C.: I'm assuming
20 you would say if it's in your diary that in all
21 likelihood that occurred?

22 MR. DOUCET: I have no specific
23 memory but I -- it could have been a telephone
24 call.

25 MR. WOLSON, Q.C.: Yes. Would you

1 write down "meeting" if it were telephone call?

2 MR. DOUCET: Probably you're
3 right. Meeting ---

4 MR. WOLSON, Q.C.: All right.

5 MR. DOUCET: Yeah.

6 MR. WOLSON, Q.C.: And I'm
7 assuming -- and there are various meetings in '91
8 and in other years in your diary with the Prime
9 Minister -- you had that kind of relationship with
10 him where you would see him from time-to-time on
11 business and pleasure, I'm assuming?

12 MR. DOUCET: I would make it -- I
13 would make it my responsibility never to abuse of
14 any meetings with him, for the very good reason
15 that having served him in the capacities that I
16 did I knew what the schedule of the Prime Minister
17 was.

18 MR. WOLSON, Q.C.: All right.

19 But when it's noted "meeting" ---

20 MR. DOUCET: Yes.

21 MR. WOLSON, Q.C.: --- and in
22 1991, given that the Bear Head Project was in full
23 swing ---

24 MR. DOUCET: Yes.

25 MR. WOLSON, Q.C.: --- do you know

1 whether you met with him about the Bear Head
2 Project?

3 MR. DOUCET: I have no
4 recollection at all.

5 MR. WOLSON, Q.C.: You can't
6 discount that that may have come up?

7 MR. DOUCET: Can't discount it.

8 MR. WOLSON, Q.C.: Okay.

9 MR. DOUCET: But I can tell you
10 that I would speak with the Prime Minister
11 frequently about family matters, about university
12 matters, about a lot of things that had nothing to
13 do with any business per se.

14 MR. WOLSON, Q.C.: Yes.

15 MR. DOUCET: They might have to do
16 with events of the past dating back to the sweeter
17 times.

18 MR. WOLSON, Q.C.: Okay.

19 I'm going to go to the 28th of
20 June. That will be the next exhibit.

21 MR. BATTISTA: It's 4C.

22 --- EXHIBIT NO./PIÈCE NO. 4C:

23 Agenda page dated May 23, 1991

24 MR. DOUCET: Four-C (4C) is May

25 23rd?

1 MR. HOUSTON: I missed 4B.

2 MR. WOLSON, Q.C.: Four (4)B is
3 April 24th.

4 MR. HOUSTON: Four (4)B is April
5 24th?

6 MR. WOLSON, Q.C.: Yes. And then
7 the one behind it is 4C, May 23rd.

8 If we could go to the 28th of June,
9 "12:00 o'clock lunch with Lelay".

10 MR. DOUCET: Yes, I see that.

11 MR. WOLSON, Q.C.: Lelay was in
12 government with Mr. Corbeil, do you recall?

13 MR. DOUCET: Yes. There were two
14 Lelays.

15 MR. WOLSON, Q.C.: Yes.

16 MR. DOUCET: There was brother and
17 sister.

18 MR. WOLSON, Q.C.: Oh, I see.

19 MR. DOUCET: So I'm not sure which
20 one I'm referring to here.

21 MR. WOLSON, Q.C.: Were they both
22 involved with government?

23 MR. DOUCET: They were both
24 involved with government and I believe they were
25 both with Minister Corbeil.

1 MR. WOLSON, Q.C.: And Minister
2 Corbeil was a Minister who you would have had some
3 involvement with, I take it, regarding the Bear
4 Head Project?

5 MR. DOUCET: At one point, yes,
6 particularly as it related to the potential for
7 the east end Montreal site.

8 MR. WOLSON, Q.C.: And the Lelays
9 both worked for Minister Corbeil?

10 MR. DOUCET: That is correct,
11 yeah. Not at the same time, at different times I
12 believe. So I'm not sure whether it was -- it was
13 the lady or the man.

14 MR. WOLSON, Q.C.: I won't pursue
15 that then.

16 Richard Lelay would have been ---

17 MR. DOUCET: Yes.

18 MR. WOLSON, Q.C.: --- the ---

19 MR. DOUCET: That would have been
20 ---

21 MR. WOLSON, Q.C.: The Chief of
22 Staff for Mr. Corbeil?

23 MR. DOUCET: Correct, yes.

24 MR. WOLSON, Q.C.: I'll take you
25 to the 19th of June.

1 MR. HOUSTON: Yes, we have it.

2 MR. WOLSON, Q.C.: At 5:00 o'clock
3 in your diary, 17:00 hours, "Meeting with Richard
4 Lelay". Do you see that?

5 MR. DOUCET: Yes, I do.

6 MR. WOLSON, Q.C.: And I'm
7 assuming that would have been also in relation to
8 the Bear Head project?

9 MR. DOUCET: Oh, I can't confirm
10 that at all. I had many files at that time.

11 MR. WOLSON, Q.C.: Yes.

12 MR. DOUCET: And if they crossed
13 over into the Transport Ministry, which I believe
14 is what Mr. Corbeil was at that time, 1991, then I
15 would have had several files where I could have
16 been meeting Mr. Lelay about ---

17 MR. WOLSON, Q.C.: One of them
18 would have been the Bear Head file?

19 MR. DOUCET: One of them could
20 have been if in fact we were on to the East End of
21 Montreal at that time.

22 MR. WOLSON, Q.C.: Well, then,
23 before I go any further, just to set the stage for
24 that -- and perhaps we'll stop here and come back
25 this afternoon -- the project, Bear Head project,

1 started at Bear Head, Nova Scotia.

2 MR. DOUCET: Correct.

3 MR. WOLSON, Q.C.: And it moved
4 from there to -- did it go to -- or was the
5 thought that it would move to Pictou in Nova
6 Scotia?

7 MR. DOUCET: That part of it I
8 don't have any particular memory of, other than
9 your mentioning it now twigs something.

10 MR. WOLSON, Q.C.: All right.

11 MR. DOUCET: I think it was at
12 best a pit stop, if you know what I mean, in terms
13 of a possible location. But the two anchor
14 locations that I vividly recall, of course, was
15 Bear Head, Nova Scotia -- as you say, in the Canso
16 area -- and East End Montreal.

17 MR. WOLSON, Q.C.: So that it did
18 move to the East End of Montreal. When I say it
19 moved, the project proposal moved to the East End
20 of Montreal from Nova Scotia.

21 MR. DOUCET: Correct.

22 MR. WOLSON, Q.C.: And the East
23 End of Montreal, I'm advised, was Minister
24 Corbeil's jurisdiction and his riding.

25 MR. DOUCET: I think his riding

1 included Laval.

2 MR. WOLSON, Q.C.: Did that
3 include the East End of Montreal?

4 MR. DOUCET: Well, he had purview
5 as the Montreal Minister, for all of Montreal.

6 MR. WOLSON, Q.C.: Okay.

7 MR. DOUCET: I don't think it was
8 specific to East End.

9 MR. WOLSON, Q.C.: I think if we
10 adjourn now, which is about seven minutes after
11 noon, and come back 10 after 2:00, would that work
12 for you?

13 MR. DOUCET: I'll try to be
14 punctual.

15 MR. WOLSON, Q.C.: Okay. Is two
16 hours sufficient for your purposes?

17 MR. DOUCET: It's tight but I'll
18 give it my best shake, but 2:30 would be better
19 for me.

20 MR. WOLSON, Q.C.: I was going to
21 negotiate with you but I just want to make sure
22 that we finish today.

23 MR. DOUCET: Sure.

24 MR. WOLSON, Q.C.: Let's try for
25 2:20 and if you're late I'll understand that.

1 MR. DOUCET: Thank you. I'll not
2 be late.

3 MR. WOLSON, Q.C.: Thank you then,
4 sir.

5 --- Upon recessing at 12:06 p.m./

6 L'audience est suspendue à 12h06

7 --- Upon resuming at 2:23 p.m./

8 L'audience est reprise à 14h23

9 MR. WOLSON, Q.C.: It's now 2:25,
10 just shy of 2:25, and we're reconvening with Mr.
11 Fred Doucet and Counsel Robert Houston.

12 Mr. Doucet, just a few minutes
13 before we commenced I referred you to four
14 documents. They are letters to and from various
15 parties and I'll just -- I'll tell you now that
16 I'm referring to these documents starting with May
17 6th, '92. They're not in your binder, and I refer
18 to these only for one purpose at this time and
19 that purpose is to demonstrate, if I can, when the
20 Bear Head project starts to move from Nova Scotia
21 to the Province of Quebec and the City of
22 Montreal.

23 The first document is dated May
24 the 6th, 1992 from Mr. Schreiber to the Prime
25 Minister and in it he indicates that after meeting

1 with the Prime Minister and Elmer, meaning no
2 doubt Elmer McKay, he had a very good meeting with
3 Marcel Masse and he expects to meet him again next
4 week, and that I think starts the project move.

5 And you'll see, I'm sorry, in the
6 paragraph just above:

7 "The activity we will engage
8 in in the next few days
9 includes an investigation of
10 the situation for
11 establishment of the
12 project..."

13 And I think we can accept that
14 that's the Bear Head project in East Montreal.
15 And that date is the 6th of May, '92 if we can just
16 have that marked as an exhibit.

17 THE COURT REPORTER: Exhibit 5.

18 --- EXHIBIT NO./PIÈCE NO. 5:

19 Letter from Mr. Schreiber to
20 the Prime Minister dated May
21 6, 1992

22 MR. WOLSON, Q.C.: The next letter
23 is the 13th of May, '92 and it follows up on the
24 previous letter, indicating that Mr. Schreiber
25 writes that he had encouraging meetings with

1 representatives of the Premier and officials from
2 the Province of Quebec and four senior Army
3 generals.

4 Would you agree with me, Mr.
5 Doucet, that it appears that there is a movement
6 at least to try and relocate the project, the Bear
7 Head project, to the East End of Montreal and that
8 it's happening in the spring of 1992?

9 MR. DOUCET: Based on this, I
10 would agree.

11 THE COURT REPORTER: Exhibit 6.

12 --- EXHIBIT NO./PIÈCE NO. 6:

13 Letter from Mr. Schreiber to
14 the Prime Minister dated May
15 13, 1992

16 MR. WOLSON, Q.C.: There are two
17 other letters; a letter dated the -- or at least
18 the 16th of May, '92 from Marcel Masse, indicating
19 that there's a meeting coming up and it talks
20 about the implementation of a facility in Montreal
21 to build MRCV prototypes.

22 MR. DOUCET: Correct.

23 MR. WOLSON, Q.C.: And that can be
24 the next exhibit.

25 THE COURT REPORTER: Exhibit 7.

1 --- EXHIBIT NO./PIÈCE NO. 7:

2 Letter from Mr. Massé to Mr.
3 Schreiber dated May 16, 1992
4 MR. WOLSON, Q.C.: And then the
5 next exhibit, a letter on Thyssen Bear Head
6 letterhead, and it's a letter to the Prime
7 Minister from Mr. Schreiber. It's a two-page
8 letter indicating that, "I am pleased to
9 confirm..." in the second paragraph:

10 "...the very positive support
11 we received for our proposal
12 from the Hon. Jean Corbeil as
13 expressed through Richard
14 Lelay of his Chief of Staff.
15 Furthermore, I understand
16 that it is the intent of Mr.
17 Corbeil to solicit the
18 support of Minister Benoit
19 Bouchard."

20 Which is the next exhibit, two
21 pages.

22 THE COURT REPORTER: Exhibit 8.

23 --- EXHIBIT NO./PIÈCE NO. 8:

24 Letter on Thyssen Bear Head
25 letterhead dated May 22, 1992

1 from Mr. Schreiber to the
2 Prime Minister

3 MR. WOLSON, Q.C.: Is that
4 consistent with the ---

5 MR. DOUCET: Just give me one
6 minute to read the last paragraph?

7 MR. WOLSON, Q.C.: Oh, for sure.

8 MR. DOUCET: Thank you.

9 MR. WOLSON, Q.C.: And is that
10 consistent then with your evidence earlier today
11 that at one point the Bear Head project was moving
12 to Quebec and to the City of Montreal?

13 MR. DOUCET: That's correct.

14 MR. WOLSON, Q.C.: And that would
15 be consistent with the timing -- '92, the spring.

16 MR. DOUCET: Correct.

17 MR. WOLSON, Q.C.: And I also --
18 conveniently in the last exhibit, May 22, '92
19 letter, there is a note as to Richard Lelay being
20 the Chief of Staff of Mr. Corbeil?

21 MR. DOUCET: Correct.

22 MR. WOLSON, Q.C.: And it would
23 appear in the second page of that letter, which is
24 Exhibit -- the last exhibit ---

25 MR. BATTISTA: Exhibit 8.

1 MR. WOLSON, Q.C.: --- 8, where
2 there is a discussion about a meeting -- actually,
3 refer to the first page:

4 "More recently, as a result
5 of my May 13th, '92 letter to
6 Minister Masse, a delegation
7 from our company was invited
8 on the 20th to discuss the
9 involvement being requested
10 of DND by the company. The
11 outcome of that meeting..."

12 Referring to page 2 of Exhibit 8:

13 "...was completely unhelpful
14 and I am dismayed by the lack
15 of cooperation and
16 understanding of the
17 important economic benefits
18 which this proposal offers to
19 Canada, you will see by the
20 attached page of the meeting
21 that the DND position has
22 been to simply stonewall the
23 company's proposal. Though
24 not a complete surprise, it
25 was even more negative than I

1 expected."

2 Is that letter consistent with
3 your memory that you felt you weren't getting sort
4 of a fair shake with DND, the Department of
5 National Defence?

6 MR. DOUCET: It certainly was.

7 MR. WOLSON, Q.C.: Can you expand
8 on that? You had some meetings with the
9 Department of Defence?

10 MR. DOUCET: I don't recall
11 specific meetings.

12 MR. WOLSON, Q.C.: Yes.

13 MR. DOUCET: But certainly there
14 was contact during the entire period of Bear Head,
15 Nova Scotia and now obviously Bear Head, Quebec.

16 There was no doubt that there was
17 resistance at DND, in part because I believe
18 whereas DND saw the project intrinsically as a
19 military vehicle, full stop ---

20 MR. WOLSON, Q.C.: Yes.

21 MR. DOUCET: --- Schreiber and,
22 indeed, my advice to Schreiber was to press the
23 accommodations sought as a function of the
24 economic benefits that would accrue, such DND
25 support. In other words, the regional benefit as

1 a result of military activity in terms of
2 manufacturing.

3 I think there was, to put it
4 mildly, lack of appreciation for the regional
5 benefits as seen by the purists at DND.

6 MR. WOLSON, Q.C.: All right.

7 Was there also an issue with the
8 fact that military vehicles were being produced in
9 another part of Canada?

10 MR. DOUCET: Yes. That was
11 another question and that, of course, falls solely
12 in the domain of the vehicle itself.

13 MR. WOLSON, Q.C.: Yes.

14 MR. DOUCET: And that had to do
15 with the London manufacturing facility for ---

16 MR. WOLSON, Q.C.: London,
17 Ontario?

18 MR. DOUCET: London, Ontario.

19 MR. WOLSON, Q.C.: Yes.

20 MR. DOUCET: For General Motors.

21 MR. WOLSON, Q.C.: Yes.

22 MR. DOUCET: And there was a
23 fraternity of thought that London, i.e. GM, was
24 being prioritized needlessly and it was preventing
25 fair competition for other potential suppliers.

1 And, as I recall, one would find
2 that in various camps through the efforts that we
3 were making to promote Bear Head Project, that
4 some individuals, both bureaucratic and political,
5 seem to have a mindset on favouring what is now
6 there, i.e. GM in London, and any form of
7 competition might depreciate that activity.

8 MR. WOLSON, Q.C.: Okay. So part
9 of the stonewalling discussed in that letter dealt
10 with that issue?

11 MR. DOUCET: I don't recall
12 specifically, but I'm just putting it in context
13 for you.

14 MR. WOLSON, Q.C.: In a general
15 way.

16 MR. DOUCET: In a general way,
17 yes.

18 MR. WOLSON, Q.C.: Yes.

19 Let me ask you this. You see in a
20 couple of those letters Mr. Schreiber is writing
21 to the Prime Minister directly.

22 MR. DOUCET: Correct.

23 MR. WOLSON, Q.C.: And were you
24 aware of that?

25 MR. DOUCET: As I say, one of

1 those letters, I don't think I've ever seen
2 before.

3 MR. WOLSON, Q.C.: Yes.

4 MR. DOUCET: I think it's the
5 first exhibit, and the others, I'm not sure. I'd
6 have to reflect more as to whether I saw them
7 before.

8 MR. WOLSON, Q.C.: Yeah. I don't
9 ask you ---

10 MR. DOUCET: But I was aware ---

11 MR. WOLSON, Q.C.: Yes.

12 MR. DOUCET: --- that he was
13 communicating with the Prime Minister independent
14 of me, for instance, and I presume independent of
15 others as well.

16 MR. WOLSON, Q.C.: In other words,
17 what I want to question or ask you a question
18 about is the man himself, Mr. Schreiber, he
19 appeared to have no hesitation in communicating
20 directly with the Prime Minister?

21 MR. DOUCET: Or anyone else, for
22 that matter.

23 MR. WOLSON, Q.C.: Okay. He's
24 sort of outgoing brash fellow?

25 MR. DOUCET: As I recall, he was

1 very much that.

2 MR. WOLSON, Q.C.: Okay.

3 Did -- or do you remember whether
4 the project, while moving from Nova Scotia to
5 Montreal, did it take on a different component in
6 terms of was this to be a project of R&D, research
7 and development, or was this a peacekeeping
8 vehicle, or perhaps it was the same as it always
9 had been?

10 MR. DOUCET: To the best of my
11 recollection, it was -- it didn't morph into
12 anything less or more than what had been advanced
13 in Nova Scotia.

14 MR. WOLSON, Q.C.: And you were
15 involved in advocating for the project in '93?

16 MR. DOUCET: I continued to be on
17 the file.

18 MR. WOLSON, Q.C.: Yes.

19 MR. DOUCET: I think my activity
20 was less.

21 MR. WOLSON, Q.C.: Okay.

22 MR. DOUCET: In the late part of
23 '93 for sure, but I continued to be involved. And
24 as I said this morning, I don't recall exactly
25 when I got off the file in terms of involvement

1 and in terms of collecting fees either, but it was
2 in that timeframe.

3 MR. WOLSON, Q.C.: Okay.

4 MR. DOUCET: But as I said this
5 morning, just to re-emphasize it, I believe I
6 stayed on the file beyond the time that I was
7 collecting fees in the hope that if and when
8 something matured and the project became real,
9 that I might once again be involved in the
10 furtherance of the activity.

11 MR. WOLSON, Q.C.: All right.

12 The ministers that appear to be
13 supporting the Bear Head Project in Montreal, do
14 you recall who they were? I know the letters talk
15 about Minister Corbeil.

16 What about Minister Charest?

17 MR. DOUCET: I don't have a
18 specific memory at all as to whether he was a
19 supporter or otherwise. It would make political
20 logical sense that he would have been a supporter
21 given that he was from Quebec.

22 MR. WOLSON, Q.C.: I think we'll
23 see some documents in due course that he did
24 support the project.

25 MR. DOUCET: Okay.

1 MR. WOLSON, Q.C.: What was your
2 relationship with Minister Charest?

3 MR. DOUCET: About the same as all
4 the other ministers.

5 I first met him when he ran for
6 office, and when he became a minister and I worked
7 in the Prime Minister's Office, my engagement with
8 him would have grown commensurately with him as it
9 would with all the other ministers.

10 MR. WOLSON, Q.C.: I'm going to
11 take you to Tab 29 of the materials.

12 Do you recall whether -- I'm going
13 to show you some documents in due course that
14 appear that Mr. Charest was supporting the Bear
15 Head Project.

16 MR. DOUCET: M'hm.

17 MR. WOLSON, Q.C.: Do you recall
18 whether you had any other files with Minister
19 Charest?

20 MR. DOUCET: I would have to
21 really search my mind on that one. Nothing comes
22 to mind, but because he was Minister of the
23 Environment -- and I'm not sure if during that
24 time span he was or if he was Minister of Sport --
25 I don't recall. I'd have to check that.

1 MR. BATTISTA: He was Minister of
2 the Environment May 15th, '93.

3 MR. DOUCET: Okay. I am going to
4 presume, but nothing specific comes to mind, that
5 because he has a ministry that had broad reach,
6 that I would have had reason for contact, maybe
7 not with him personally, but with the department.

8 MR. WOLSON, Q.C.: I'm going to
9 show you on Tab 29, May the 15th, 1993 there is
10 reference to Jean Charest, 8:00 a.m.

11 MR. HOUSTON: May 15th?

12 MR. WOLSON, Q.C.: Yes.

13 MR. BATTISTA: You've got 19 ---

14 MR. WOLSON, Q.C.: Nineteen
15 ninety-three (1993), Tab 29.

16 MR. HOUSTON: Yeah. I've got Tab
17 29, the 29th of April, and the next day we have is
18 the 19th of May.

19 MR. WOLSON, Q.C.: You don't have
20 the 15th?

21 MR. HOUSTON: It doesn't look like
22 it.

23 MR. BATTISTA: I'll get a
24 photocopy.

25 MR. WOLSON, Q.C.: That's okay.

1 I'll just show this to you.

2 MR. HOUSTON: You can use this
3 one. Take a look at it.

4 MR. WOLSON, Q.C.: It indicates an
5 entry for Jean Charest.

6 MR. DOUCET: Yes.

7 MR. WOLSON, Q.C.: Would that be
8 consistent with your contacting Mr. Charest for
9 the Bear Head Project?

10 MR. DOUCET: I couldn't connect
11 the two at all based on this. In fact, it doesn't
12 indicate that I had a meeting or made a call.
13 It's simply an entry into the book. It may be
14 something I was planning to do. I just don't
15 know.

16 There's another name right below
17 it, Philippe Morel. That is not a name that rings
18 a bell today.

19 So I couldn't, on the basis of
20 this, make any connection as to why this entry is
21 there or what, if anything, I met or spoke with
22 him about.

23 MR. WOLSON, Q.C.: Okay. I'm
24 going to then leave the diaries for a minute and
25 show you some documents that may help put the

1 matter in context.

2 If you would turn to -- just leave
3 that for now. If you would turn to Tab 31,
4 please?

5 MR. HOUSTON: Yes. Okay. We have
6 it.

7 MR. WOLSON, Q.C.: Tab 31 talks
8 about the current status, and at the top is the
9 Bear Head Industries Division of Thyssen
10 Industries.

11 MR. DOUCET: Okay.

12 MR. WOLSON, Q.C.: It appears to
13 be some kind of government document from Quebec,
14 and it appears, when you go halfway down the page
15 to "Current Status":

16 "Minister Charest and
17 Minister Corbeil met on
18 the 26th of August '93..."

19 MR. DOUCET: M'hm.

20 MR. WOLSON, Q.C.: "... with Mr.
21 Schreiber, President, and
22 legal counsel F. Doucet..."

23 They may have given you -- called
24 you to the Bar prematurely.

25 "...on the company's proposal.

1 We understand that Thyssen is
2 not prepared to provide
3 additional information. As a
4 result of that meeting the
5 following actions are
6 underway."

7 And it lists what's being done.

8 So it would appear from this
9 document, despite the fact that you weren't legal
10 counsel, that there was a meeting between
11 Ministers Charest, Corbeil, you and Mr. Schreiber
12 in August of '93?

13 MR. DOUCET: It would appear.

14 MR. WOLSON, Q.C.: And then -- and
15 perhaps that can be filed as the next exhibit.

16 THE COURT REPORTER: Exhibit 8 --
17 sorry, 9.

18 --- EXHIBIT NO./PIÈCE NO. 9:

19 Tab 31 - Bear Head Industries
20 Division of Thyssen Industries
21 government document from Quebec

22 MR. WOLSON, Q.C.: If you were
23 meeting with Minister Corbeil and Charest back at least
24 in August of '93 it would be, I take it -- perhaps you
25 would consider this -- consistent with your perhaps

1 wanting to speak to the Ministers or have some contact
2 with the Ministers prior to the meeting?

3 MR. DOUCET: It could very well be,
4 yes.

5 MR. WOLSON, Q.C.: And I'm just going
6 to then file this document -- and I'll get you a copy
7 of it.

8 MR. HOUSTON: That's fine. That's
9 the entry for the 15th of May?

10 MR. WOLSON, Q.C.: It is, '93.

11 MR. HOUSTON: Okay.

12 MR. WOLSON, Q.C.: And it just
13 indicates "Jean Charest". It happens to be a Saturday,
14 so I can see that ---

15 MR. BATTISTA: Exhibit 10.

16 THE COURT REPORTER: Exhibit 10.

17 --- EXHIBIT NO./PIÈCE NO. 10:

18 Page from Mr. Doucet's agenda dated
19 May 15, 1993

20 MR. WOLSON, Q.C.: All right.

21 Thanks.

22 If we can look at May the 28th and see
23 if we're any better on that one.

24 MR. HOUSTON: We don't have that one
25 either.

1 MR. WOLSON, Q.C.: All right. We'll
2 come back to that.

3 June 1.

4 MR. HOUSTON: Yeah, we have that one.

5 MR. WOLSON, Q.C.: June 1 is your
6 diary, June 1, '93, and it indicates "Schreiber arrives
7 today; is here 2, 3, and 4" likely meaning the 2nd, 3rd
8 and 4th of June.

9 MR. DOUCET: Likely.

10 MR. WOLSON, Q.C.: And do you recall
11 that Mr. Schreiber would -- were you living in Ottawa
12 at the time?

13 MR. DOUCET: Oh, yes.

14 MR. WOLSON, Q.C.: And do you recall
15 whether Schreiber was living in Canada or abroad?

16 MR. DOUCET: In '93, well, he
17 certainly had a pied-à-terre in Canada in terms of
18 being here for protracted periods of time.

19 MR. WOLSON, Q.C.: Yes.

20 MR. DOUCET: But I think he would
21 still be operating from home, Europe ---

22 MR. WOLSON, Q.C.: Okay.

23 MR. DOUCET: --- because of the
24 frequency of the travels, as I recall, back and forth.

25 MR. WOLSON, Q.C.: And home in Canada

1 would be in Ottawa?

2 MR. DOUCET: I believe so, yeah.

3 MR. WOLSON, Q.C.: All right.

4 So he's obviously coming in from a
5 location outside of Ottawa ---

6 MR. DOUCET: Correct.

7 MR. WOLSON, Q.C.: --- on June 1, as
8 you've got marked in this diary?

9 MR. DOUCET: I would think so.

10 MR. WOLSON, Q.C.: Perhaps that could
11 be the next exhibit?

12 MR. BATTISTA: Exhibit 11.

13 THE COURT REPORTER: Exhibit 11.

14 --- EXHIBIT NO./PIÈCE NO. 11:

15 Pge from Mr. Doucet's agenda dated
16 June 1, 1993

17 MR. WOLSON, Q.C.: June 2 ---

18 MR. DOUCET: Yes.

19 MR. WOLSON, Q.C.: --- you've got, at
20 the top "7:30 breakfast Corbeil, 29th floor".

21 MR. DOUCET: M'hm.

22 MR. HOUSTON: You have to say yes or
23 no for him to take it down.

24 MR. DOUCET: Yes, yes, sorry.

25 MR. WOLSON, Q.C.: And that would be

1 consistent with you meeting Minister Corbeil for
2 breakfast?

3 MR. DOUCET: Correct.

4 MR. WOLSON, Q.C.: Perhaps that's the
5 next exhibit.

6 THE COURT REPORTER: Exhibit 12.

7 --- EXHIBIT NO./PIÈCE NO. 12A:

8 Page from Mr. Doucet's agenda dated
9 June 2, 1993

10 MR. WOLSON, Q.C.: The 29th floor it
11 indicates is where you're meeting for breakfast.

12 MR. DOUCET: Yes.

13 MR. WOLSON, Q.C.: Do you know the
14 significance of that?

15 MR. DOUCET: No. I think that's
16 Place de Ville, which is where the Transport Ministry
17 is. So I'm presuming that that was the 29th floor of
18 that building, but it's a presumption on my part.

19 MR. WOLSON, Q.C.: Do you know who
20 was at that meeting?

21 MR. DOUCET: I have no idea.

22 MR. WOLSON, Q.C.: I'm going ---

23 MR. DOUCET: The normal thing would
24 be that his Chief of Staff would have been present, but
25 I have no memory of that.

1 MR. WOLSON, Q.C.: Do you recall --
2 and I'll try and help you if I can ---

3 MR. DOUCET: Sure.

4 MR. WOLSON, Q.C.: --- but do you
5 recall Mr. Schreiber being present?

6 MR. DOUCET: I don't recall the
7 meeting itself. I take it that what I've entered
8 occurred, but I don't recall the meeting itself.

9 MR. WOLSON, Q.C.: If we could go to
10 -- and I'm sorry to have you flip back and forth.

11 MR. DOUCET: That's all right.

12 MR. WOLSON, Q.C.: But go to Tab 28.

13 MR. HOUSTON: Okay. Have it.

14 MR. WOLSON, Q.C.: And if you go to
15 June 2 ---

16 MR. HOUSTON: Have that too.

17 MR. WOLSON, Q.C.: --- you'll see on
18 June 2, at the top there's a time. We see the half
19 hour at least, "Minister Corbeil". It's actually just
20 under the 7:00 of his diary.

21 MR. DOUCET: Yes.

22 MR. WOLSON, Q.C.: There's a 30 noted
23 and it says "Minister Corbeil, 29th floor".

24 MR. DOUCET: Correct.

25 MR. WOLSON, Q.C.: You would, I'm

1 sure, agree that this was a meeting with you and
2 Schreiber and Corbeil and who knows who else?

3 MR. DOUCET: It certainly connects.

4 MR. WOLSON, Q.C.: Okay. If we can
5 have that filed, along with the previous exhibit as
6 page or ---

7 MR. BATTISTA: Exhibit 12A, 12B.

8 MR. WOLSON, Q.C.: That's right.

9 Thank you.

10 MR. BATTISTA: So this is 12B; the
11 other one is 12A.

12 THE COURT REPORTER: Twelve-B; the
13 first is 12A.

14 --- EXHIBIT NO./PIÈCE NO. 12B:

15 Agenda page dated June 2, 1993,
16 Tab 28

17 MR. WOLSON, Q.C.: Then I'd like to
18 go on Tab 29.

19 MR. DOUCET: We've got it right here.

20 MR. WOLSON, Q.C.: And June 3rd. June
21 3rd, 1993 indicates at 3:30 -- at least you have circled
22 3:30 ---

23 MR. DOUCET: Yes.

24 MR. WOLSON, Q.C.: "PM K. Schreiber
25 Centre Block".

1 MR. DOUCET: Yes.

2 MR. WOLSON, Q.C.: And that would
3 indicate a meeting with the Prime Minister?

4 MR. DOUCET: It would certainly
5 appear to be that, yes.

6 MR. WOLSON, Q.C.: You're meeting
7 with the Prime Minister and Mr. Schreiber at Centre
8 Block at 3:30 on June 3rd?

9 MR. DOUCET: Yes. The time has some
10 significance because 3:30 is the period where the Prime
11 Minister typically has meetings outside -- with people
12 outside government, because it's right after question
13 period.

14 MR. WOLSON, Q.C.: Yes.

15 MR. DOUCET: And when I was there at
16 least, that period of time between the end of QP, which
17 would typically be about 3:15 until about 4 o'clock was
18 reserved for constituency meetings, business meetings,
19 whatever. But that was a period that most often he
20 would have meetings with individuals outside of
21 government, so that would fit.

22 MR. WOLSON, Q.C.: I just want to see
23 if we have a June 3rd for Mr. Schreiber -- in Mr.
24 Schreiber's book.

25 MR. DOUCET: M'hm.

1 MR. EDGETT: I would have to go and
2 get it.

3 MR. WOLSON, Q.C.: All right.
4 I'll come back to that. If you could
5 go see if ---

6 MR. EDGETT: Sure.

7 MR. WOLSON, Q.C.: --- you can find
8 that, that would be helpful.

9 MR. DOUCET: Would we have it
10 here?

11 MR. HOUSTON: No, no. This is
12 back in the ---

13 MR. DOUCET: Oh, okay.

14 MR. HOUSTON: --- back in the
15 office at home. It's the whole diary for '93.

16 MR. DOUCET: Okay.

17 MR. WOLSON, Q.C.: But you
18 wouldn't have ---

19 MR. HOUSTON: I don't have his
20 1993 diary, the whole reproduced ---

21 MR. WOLSON, Q.C.: Yes.

22 MR. HOUSTON: --- reproduced
23 version of it rather, not with me at least.

24 MR. WOLSON, Q.C.: All right. So
25 you would say that at 3:30, even though you've

1 explained the significance of the time, that you
2 are meeting with Mr. Schreiber and Prime Minister
3 Mulroney, at least according to your diary?

4 MR. DOUCET: Yeah, I have no
5 memory of the meeting but it sure looks to have
6 occurred.

7 MR. WOLSON, Q.C.: And this would
8 be around the time of -- certainly of the Bear
9 Head Project moving to Montreal?

10 MR. DOUCET: Yeah, it certainly
11 connects.

12 MR. WOLSON, Q.C.: If we could
13 file that document ---

14 MR. HOUSTON: Well, with respect,
15 Mr. Wolson, we just looked at documents which
16 indicated like it was moving to Montreal in '92.
17 We're now in the 1993 are we not?

18 MR. WOLSON, Q.C.: But the project
19 was -- the project was moving in '92 but the
20 project in Montreal was alive in '93.

21 MR. HOUSTON: Okay.

22 MR. WOLSON, Q.C.: Would that be a
23 fair way of putting it?

24 MR. DOUCET: I think so, yes.

25 MR. WOLSON, Q.C.: Okay. So this

1 now ---

2 MR. HOUSTON: Thirteen (13)?

3 MR. WOLSON, Q.C.: Yes, Exhibit
4 13.

5 --- EXHIBIT NO./PIÈCE NO. 13A:

6 Page from Mr. Doucet's agenda
7 dated June 3rd, 1993

8 MR. WOLSON, Q.C.: Just if you
9 give that to me, Peter, for one second please.

10 This is Mr. Schreiber's diary that
11 we'll give you a copy of which indicates the 3rd of
12 June, and this is 1993, the same time, 15h30 which
13 would be 3:30 p.m. meeting.

14 MR. DOUCET: Correct.

15 MR. WOLSON, Q.C.: If you can just
16 take a look at that.

17 MR. DOUCET: Yes, I see that.

18 MR. WOLSON, Q.C.: We'll get you a
19 copy of that, Mr. Houston. I apologize.

20 MR. HOUSTON: Well, it's in his
21 diary, the whole diary. So we have it. It's
22 fine. I already have a copy of it. Thank you.

23 MR. WOLSON, Q.C.: And you're
24 going to copy this for the next -- we'll attach it
25 to the previous as 13B.

1 MR. HOUSTON: Right, okay. Thank
2 you.

3 MR. WOLSON, Q.C.: And we'll give
4 that to you in a moment.

5 MR. BATTISTA: 13B, yeah.

6 MR. WOLSON, Q.C.: Thank you.
7 That was A.

8 THE COURT REPORTER: The first is
9 13A, June 3rd.

10 MR. WOLSON, Q.C.: June 3rd, Mr.
11 Doucet's day timer. That one is Mr. Schreiber's
12 day timer. B is going to be Mr. Schreiber's day
13 timer.

14 --- EXHIBIT NO./PIÈCE NO. 13B:

15 Copy of Mr. Schreiber's
16 diary, June 3rd, 1993

17 MR. WOLSON, Q.C.: I am assuming,
18 Mr. Doucet, based on what you told me earlier that
19 the work you were doing for Mr. Schreiber in and
20 around starting in '88 going through to '93 was
21 Bear Head?

22 MR. DOUCET: Oh, yes.

23 MR. WOLSON, Q.C.: That was the
24 work you were doing?

25 MR. DOUCET: Yes.

1 MR. WOLSON, Q.C.: So if you are
2 meeting on -- if the meeting were business, it
3 would be Bear Head?

4 MR. DOUCET: Correct. I suppose
5 at that point when we say Bear Head, we say it in
6 the context of ---

7 MR. WOLSON, Q.C.: Thank you.

8 MR. DOUCET: --- its historical
9 significance. It was a meeting of the project for
10 the production of -- the manufacturing of military
11 vehicles.

12 MR. WOLSON, Q.C.: Yes.

13 Then carrying along, I'm taking
14 you to Tab 29 again, August 26th.

15 MR. HOUSTON: August 25th -- I have
16 26th, yes.

17 MR. WOLSON, Q.C.: August 26th at
18 3:30 in the afternoon, as circled in your diary,
19 room -- is that 436 North?

20 MR. DOUCET: I think so, yeah,
21 436.

22 MR. WOLSON, Q.C.: Four-thirty-six
23 (436) N, would that represent North?

24 MR. DOUCET: Correct, yeah.

25 MR. WOLSON, Q.C.: Centre Block.

1 MR. DOUCET: Centre Block, yeah.

2 MR. WOLSON, Q.C.: And "Charest
3 meeting" you have.

4 MR. DOUCET: Correct.

5 MR. WOLSON, Q.C.: Is that where
6 Mr. Charest would have an office or is that
7 reserved for the Prime Minister?

8 MR. DOUCET: Not reserved for the
9 Prime Minister because the Prime Minister is on
10 the 3rd floor.

11 MR. WOLSON, Q.C.: Yes.

12 MR. DOUCET: So this would be a
13 floor above. I don't recall if that was Mr.
14 Charest's Cabinet office or not. I just don't --
15 I don't recall.

16 MR. WOLSON, Q.C.: But it would
17 indicate a meeting obviously?

18 MR. DOUCET: It would indicate a
19 meeting, yes, correct.

20 MR. WOLSON, Q.C.: And putting the
21 parties together, that would likely be Bear Head
22 Project?

23 MR. DOUCET: That I can't answer
24 because if -- as you had asked me before, did I
25 have any other files where the Minister of

1 Environment might have been involved, my guess is
2 I would have.

3 MR. WOLSON, Q.C.: Let me then be
4 more specific.

5 In Tab 28, Mr. Schreiber's diary,
6 August the 26th at the very same time, 15h30,
7 there's a meeting with Charest.

8 MR. DOUCET: All right. That
9 pretty well -- that pretty well defines it.

10 MR. WOLSON, Q.C.: And that would
11 pretty well put it at Bear Head's?

12 MR. DOUCET: Correct.

13 MR. WOLSON, Q.C.: There is -- and
14 perhaps those two documents, the 26th of August of
15 Tab 29 and the 26th of August of Tab 28, Mr.
16 Doucet's diaries and Mr. Schreiber's diaries,
17 could be marked as the next exhibit A and B of the
18 next number.

19 THE COURT REPORTER: 14A and B.

20 --- EXHIBIT NO./PIÈCE No. 14A:

21 Page from Mr. Doucet's agenda
22 dated August 26, 1993

23 --- EXHIBIT NO./PIÈCE No. 14B:

24 Page from Mr. Schreiber's
25 agenda dated August 26, 1993

1 MR. WOLSON, Q.C.: There is on
2 14B, which would be Mr. Schreiber's diary -- you
3 have it open there -- a notation at the top "Brian
4 and Fred".

5 MR. HOUSTON: That's what it says.

6 MR. DOUCET: Yes.

7 MR. WOLSON, Q.C.: Would you know
8 anything about that "Brian and Fred"?

9 MR. DOUCET: I see it written in
10 the diary but I have no idea what ---

11 MR. WOLSON, Q.C.: What it refers
12 to?

13 MR. DOUCET: --- what it refers
14 to, no.

15 MR. WOLSON, Q.C.: All right.
16 That's already been marked as an exhibit. So I
17 just wanted to point that out to you.

18 MR. DOUCET: Sure. I could check
19 my own diary if I could, but ---

20 MR. HOUSTON: Well, that's what we
21 just looked at there.

22 MR. DOUCET: But did we look at
23 that timeframe?

24 MR. WOLSON, Q.C.: There is
25 nothing in your diary at that timeframe.

1 MR. DOUCET: Oh, okay. Well, to
2 be sure, if I were meeting with the Prime
3 Minister, typically it would be in my diary.

4 MR. WOLSON, Q.C.: Okay.
5 Other than the meeting with
6 Charest being a Bear Head meeting, do you have any
7 idea today what that was in relation to?

8 MR. DOUCET: The meeting with
9 Charest?

10 MR. WOLSON, Q.C.: Yes.

11 MR. DOUCET: Well, I presume it
12 would have been a document included, yeah, that it
13 was regarding the project.

14 MR. WOLSON, Q.C.: Consistent with
15 the document we looked at earlier, which has been
16 marked as an exhibit, where you met with Ministers
17 Charest and Corbeil on the 26th of August '93?

18 MR. DOUCET: Sorry.

19 MR. HOUSTON: Yes, and can I just
20 say for the record as well that Tab 33 appears to
21 be another memo referable to the same meeting as
22 well.

23 MR. WOLSON, Q.C.: Yes. What's
24 the exhibit number of the Corbeil?

25 MR. BATTISTA: Tab 31, current

1 status. Is that the one you're looking at?

2 MR. WOLSON, Q.C.: Yes.

3 MR. BATTISTA: Yeah. Tab 31 ---

4 MR. WOLSON, Q.C.: What exhibit --
5 it's Exhibit 9?

6 MR. BATTISTA: It's Exhibit 9,
7 yeah.

8 MR. WOLSON, Q.C.: All right.

9 MR. BATTISTA: You've looked at
10 it? Yes, that's it. Okay.

11 MR. HOUSTON: No, that's -- there
12 are two -- there are two documents there.

13 MR. WOLSON, Q.C.: But they talk
14 of ---

15 MR. HOUSTON: They talk about a
16 meeting on the 26th of August.

17 MR. WOLSON, Q.C.: They talk of a
18 meeting on the 26th which is consistent with your
19 diary.

20 MR. DOUCET: Absolutely.

21 MR. WOLSON, Q.C.: And consistent
22 with the memos ---

23 MR. DOUCET: Yeah, sure.

24 MR. WOLSON, Q.C.: --- interoffice
25 memos that no question the subject was Bear Head.

1 MR. DOUCET: It sure appears to be
2 that.

3 MR. WOLSON, Q.C.: All right. I
4 want to go to another subject now.

5 The meetings that you've obviously
6 testified to before regarding Mr. Schreiber and
7 Mr. Mulroney, I'm talking now of the various
8 meetings in '93 and '94 which included meetings at
9 hotels.

10 MR. DOUCET: Correct, okay.

11 MR. WOLSON, Q.C.: And I'll be
12 much more specific than that, but I just want to
13 give you a general ---

14 MR. DOUCET: Sure.

15 MR. WOLSON, Q.C.: --- overview of
16 the areas that I'm going to now direct your mind
17 there.

18 MR. DOUCET: Very good.

19 MR. WOLSON, Q.C.: We are aware
20 today that there was a meeting at Harrington Lake
21 between Mr. Schreiber and Mr. Mulroney on June
22 23rd, '93. You've been asked questions about that
23 by the Ethics Committee?

24 MR. DOUCET: M'hm.

25 MR. WOLSON, Q.C.: Your answer is

1 yes?

2 MR. DOUCET: I have, yes.

3 MR. WOLSON, Q.C.: Okay. Did you
4 arrange that meeting?

5 MR. DOUCET: I have no memory of
6 arranging that meeting at all. Moreover, when I
7 first heard about that meeting, it made an
8 impression on me.

9 MR. WOLSON, Q.C.: Yes.

10 MR. DOUCET: So I do believe if I
11 had had anything to do in setting it up, I would
12 have reacted differently to learning that the
13 meeting took place. So I have no memory at all of
14 setting up that meeting.

15 MR. WOLSON, Q.C.: In other words,
16 when you learned of the meeting, you were
17 surprised?

18 MR. DOUCET: That's correct, yeah.

19 MR. WOLSON, Q.C.: All right.

20 And your evidence is that if you'd
21 set it up, you wouldn't have been surprised?

22 MR. DOUCET: Exactly.

23 MR. WOLSON, Q.C.: Did either
24 Karlheinz Schreiber -- let's talk about him first
25 -- did he ever discuss that meeting with you?

1 MR. DOUCET: No.

2 MR. WOLSON, Q.C.: Did Mr.
3 Mulroney brief you about the meeting that he had
4 with Mr. Schreiber?

5 MR. DOUCET: No, I have no memory
6 of that.

7 MR. WOLSON, Q.C.: So in terms of
8 the Harrington Lake meeting, if we call it that,
9 the only information you have is what you've read
10 or heard about through various sources; media and
11 the like?

12 MR. DOUCET: Correct.

13 MR. WOLSON, Q.C.: You had, and
14 you still have today, a close relationship with
15 former Prime Minister Brian Mulroney?

16 MR. DOUCET: Absolutely.

17 MR. WOLSON, Q.C.: It would appear
18 that if in fact that meeting took place, as has
19 been reported, that however Mr. Schreiber got to
20 meet with the Prime Minister, it wasn't through
21 you. You would agree with that?

22 MR. DOUCET: I have no memory at
23 all of being involved in arranging or otherwise
24 facilitating that meeting.

25 MR. WOLSON, Q.C.: And it appears

1 that you and Mr. Schreiber had met with the Prime
2 Minister just some three weeks earlier, June 3rd of
3 '93?

4 MR. DOUCET: That's correct.

5 MR. WOLSON, Q.C.: Can you help us
6 at all in what was discussed in that June 3rd
7 meeting? I know I've asked you before. On
8 reflection, is your evidence the same, that you
9 don't recall?

10 MR. DOUCET: I don't recall. I do
11 not recollect.

12 MR. WOLSON, Q.C.: You don't
13 recall whether it was business or pleasure?

14 MR. DOUCET: I would be
15 constructing if I said anything. I just don't
16 recall the meeting.

17 MR. WOLSON, Q.C.: Given the time
18 of day being 3:30 and the significance of that, as
19 you told us before, would that likely mean that
20 the meeting was about business?

21 MR. DOUCET: It would lead me to
22 think that way, but since I don't recall the
23 meeting -- I mean, he would have meetings of a
24 social nature also during that same timeframe.

25 MR. WOLSON, Q.C.: All right.

1 Then I won't pursue that.

2 But it was obvious at least that
3 you had nothing to do with the June 23rd meeting.
4 That you can say for sure?

5 MR. DOUCET: Well, I have no
6 memory of it at all.

7 MR. WOLSON, Q.C.: Okay. We'll
8 leave it at that.

9 MR. DOUCET: I've characterized it
10 in terms of how I felt when I heard about it,
11 which further made me conclude that indeed my
12 memory was not faulty.

13 MR. WOLSON, Q.C.: Okay.

14 There are three other meetings
15 that you're aware of, some of which you played a
16 part in ---

17 MR. DOUCET: Yes.

18 MR. WOLSON, Q.C.: --- others that
19 you've read or heard about?

20 MR. DOUCET: Correct.

21 MR. WOLSON, Q.C.: The first
22 meeting that we're aware of, of this nature, is
23 August 27th, '93?

24 MR. DOUCET: Correct.

25 MR. WOLSON, Q.C.: That's a

1 meeting at the Mirabel Hotel?

2 MR. DOUCET: Correct.

3 MR. WOLSON, Q.C.: What can you
4 tell me about that meeting in terms of -- were you
5 there?

6 MR. DOUCET: No, I was not there.

7 MR. WOLSON, Q.C.: Okay. Did you
8 arrange it?

9 MR. DOUCET: I facilitated it for
10 sure.

11 MR. WOLSON, Q.C.: All right.

12 MR. DOUCET: And the reason that
13 is vivid in my mind is that the Prime Minister, at
14 the time -- do you wish me to go on?

15 MR. WOLSON, Q.C.: Please, yes.

16 MR. DOUCET: The Prime Minister,
17 at the time, had taken temporary residency in a
18 small community not too far away from Mirabel
19 while awaiting moving to his more permanent home
20 in downtown Montreal. And ---

21 MR. WOLSON, Q.C.: Is that because
22 there was something being done with his home in
23 Montreal?

24 MR. DOUCET: I believe so. There
25 was some construction going on at their place, 47

1 Crescent.

2 So I was aware that the Prime
3 Minister and his family were living temporarily
4 ---

5 MR. WOLSON, Q.C.: Yes.

6 MR. DOUCET: --- in a -- I'm
7 blocking on the name of the community. Can you
8 help me, Rob?

9 MR. HOUSTON: It's your memory
10 we're looking to, not mine, Fred.

11 MR. DOUCET: All right.

12 Well, I can't remember the name of
13 the community, but it's not that far from Mirabel.

14 MR. WOLSON, Q.C.: That's the
15 significance of it though, that it's close to
16 Mirabel?

17 MR. DOUCET: Correct.

18 MR. WOLSON, Q.C.: Yes.

19 MR. DOUCET: Number one.

20 Number two, I recall Mr. Schreiber
21 talking with me -- I don't recall whether it was
22 telephone or face-to-face -- asking me if I could
23 arrange for a meeting to take place around that
24 timeframe.

25 MR. WOLSON, Q.C.: Why would he

1 need to ask you for that?

2 MR. DOUCET: I don't know. I
3 mean, probably because he may not have had his
4 coordinates in Montreal.

5 MR. WOLSON, Q.C.: Okay.

6 MR. DOUCET: Or he may have had
7 them and tried and there was no answer, since they
8 were not at that Montreal -- and I don't know if
9 he tried the office in Montreal. I really don't
10 recall that. Whatever the reasons, he asked me if
11 I would facilitate that meeting.

12 And I spoke with Mr. Mulroney
13 about such a request, and that's when I found out
14 that he was then outside of Mirabel, not that far
15 from Mirabel.

16 MR. WOLSON, Q.C.: Okay.

17 MR. DOUCET: And so Schreiber had
18 also told me that he was returning back to Europe
19 -- I don't know the destination for certain, but
20 certainly Europe -- and that he would be flying
21 out of Mirabel.

22 MR. WOLSON, Q.C.: Yes.

23 MR. DOUCET: So I put two and two
24 together and I said to Schreiber, "Would that
25 suit? If it does, I'll ask Mr. Mulroney if

1 meeting at the airport would serve both parties
2 well." And that's what happened, and the meeting
3 was arranged.

4 MR. WOLSON, Q.C.: And ---

5 MR. DOUCET: Now, I did not
6 arrange, or at least I have no memory of
7 arranging, for a room at the hotel. That was a
8 hotel in the airport.

9 MR. WOLSON, Q.C.: And let me ask
10 you this. Prior to the meeting, what -- did Mr.
11 Schreiber tell you anything as to why he wanted a
12 meeting with Mr. Mulroney?

13 MR. DOUCET: Yes. Yes, he did.

14 MR. WOLSON, Q.C.: And what did he
15 say?

16 MR. DOUCET: He did, because of
17 course I would not have blindly asked Mr. Mulroney
18 for a meeting without knowing what the context of
19 the meeting was to be.

20 MR. WOLSON, Q.C.: It makes sense.

21 MR. DOUCET: So he told me that he
22 wanted to propose to Mr. Mulroney a retainership
23 going forward having to do with the promotion of
24 military vehicles, a subject about which I was
25 very familiar.

1 MR. WOLSON, Q.C.: Yes.

2 MR. DOUCET: But the point that he
3 made was that he wanted to have a discussion with
4 him to see if this would be of interest to Mr.
5 Mulroney.

6 And knowing that Mr. Mulroney was
7 now in the private sector, I thought that it was a
8 reasonable request to make to Mr. Mulroney with a
9 view to a meeting, and on that basis I arranged
10 the meeting.

11 MR. WOLSON, Q.C.: And did you
12 simply convey -- what you've just said to us now,
13 did you simply convey that to Mr. Mulroney?

14 MR. DOUCET: I did.

15 MR. WOLSON, Q.C.: All right.

16 MR. DOUCET: I did.

17 MR. WOLSON, Q.C.: And ---

18 MR. DOUCET: And he confirmed that
19 it was okay, that he would meet with him.

20 MR. WOLSON, Q.C.: And did he
21 discuss with you -- Mr. Schreiber, that this
22 centred around Bear Head? When I say Bear Head I
23 mean the Thyssen product.

24 MR. DOUCET: Yes, the Thyssen
25 products probably.

1 MR. WOLSON, Q.C.: Yes.

2 MR. DOUCET: Yes.

3 MR. WOLSON, Q.C.: Meaning
4 military-type vehicles?

5 MR. DOUCET: Correct. Correct.

6 MR. WOLSON, Q.C.: And that was
7 the extent of the conversation?

8 MR. DOUCET: That was the extent
9 of the conversation as I recall it in terms of
10 advising Mr. Mulroney on the context of the
11 request and what led to arranging the meeting,
12 yeah.

13 MR. WOLSON, Q.C.: And did Mr. --
14 and I'm simply referring to evidence you gave
15 before the Ethics Committee and I want to be fair
16 to you.

17 Did Mr. Schreiber tell you the
18 scope of the retainer? Where was this retainer
19 going to be earned?

20 MR. DOUCET: Well, the only point
21 of reference was that it would be for
22 international representations.

23 MR. WOLSON, Q.C.: And he said to
24 you?

25 MR. DOUCET: He said that to me.

1 MR. WOLSON, Q.C.: That's simply
2 what I wanted to refer to you because you've said
3 that before.

4 MR. DOUCET: Yeah, absolutely he
5 said that.

6 MR. WOLSON, Q.C.: Did Mr.
7 Schreiber -- and we know today that the meeting
8 took place. You know that.

9 MR. DOUCET: Yes.

10 MR. WOLSON, Q.C.: Did Mr.
11 Schreiber speak to you about that meeting at some
12 point after it had taken place?

13 MR. DOUCET: Not specifically, no,
14 about the meeting. Mr. Mulroney did.

15 MR. WOLSON, Q.C.: Okay, and tell
16 me -- so Schreiber did not?

17 MR. DOUCET: Schreiber did not.
18 As best I recall, shortly or the day after the
19 meeting he flew off to Europe.

20 MR. WOLSON, Q.C.: Yes; Schreiber
21 did?

22 MR. DOUCET: Schreiber did;
23 correct. And I'm not sure if I heard that night
24 or the next day, but very soon after the meeting I
25 got a call from Mr. Mulroney telling me that he

1 had met with Mr. Schreiber, that it had been a
2 useful meeting. I didn't probe, I was not given
3 to doing that, and that they were probably going
4 to work to some kind of project or a retainership
5 involving representations internationally in the
6 promotion of Thyssen vehicles, military vehicles.

7 MR. WOLSON, Q.C.: Okay. You
8 didn't necessarily expect a call from the former
9 Prime Minister, but he called?

10 MR. DOUCET: It would have been
11 unbecoming for him not to, since I had set the
12 meeting.

13 MR. WOLSON, Q.C.: Sure.

14 MR. DOUCET: But my feelings would
15 not have been hurt if he hadn't.

16 MR. WOLSON, Q.C.: All right.

17 Did Mr. Mulroney tell you the
18 nature of the quantum of the retainer?

19 MR. DOUCET: No.

20 MR. WOLSON, Q.C.: Did he tell you
21 whether or not any retainer, actual retainer, had
22 been paid?

23 MR. DOUCET: No.

24 MR. WOLSON, Q.C.: Did he tell you
25 whether he had received cash or a cheque?

1 MR. DOUCET: No.

2 MR. WOLSON, Q.C.: Did he ever
3 tell you whether he had been paid in cash or
4 cheque?

5 MR. DOUCET: The only time that --
6 let me rephrase that. The first time that I heard
7 about the money part was what was in the public
8 domain by way of the press.

9 MR. WOLSON, Q.C.: Okay.

10 MR. DOUCET: Right? I believe the
11 next time I heard about it, not as to the amount
12 but as to the payment, was at the New York Pierre
13 Hotel event when an envelope was handed and
14 reference was made, "This is payment for services
15 and expenses rendered", or words to that effect.

16 MR. WOLSON, Q.C.: We're getting
17 ahead of ourselves, but in terms of the New York
18 payment you had testified before the Ethics
19 Committee, and I'm assuming it's the same today,
20 you didn't know what was in the envelope?

21 MR. DOUCET: Not at all.

22 MR. WOLSON, Q.C.: You didn't know
23 whether it was a cheque or cash.

24 MR. DOUCET: No, I did not know,
25 or the quantum.

1 MR. WOLSON, Q.C.: Okay.

2 MR. DOUCET: I was going to

3 conclude ---

4 MR. WOLSON, Q.C.: Yes, please.

5 MR. DOUCET: --- but if you want

6 me to ---

7 MR. WOLSON, Q.C.: No, no. Go

8 ahead.

9 MR. DOUCET: The last time that I
10 heard about the amount was the time that I was
11 directly involved in writing what he, Schreiber,
12 told me was the amount.

13 MR. WOLSON, Q.C.: That was the
14 mandate document ---

15 MR. DOUCET: Correct, February ---

16 MR. WOLSON, Q.C.: February 4th of
17 2000.

18 MR. DOUCET: --- 4th, 2000.

19 MR. WOLSON, Q.C.: And we're going
20 to get to that.

21 MR. DOUCET: Sure.

22 MR. WOLSON, Q.C.: I promise.

23 MR. DOUCET: I just wanted to ---

24 MR. WOLSON, Q.C.: Okay.

25 MR. DOUCET: --- give you the ---

1 MR. WOLSON, Q.C.: But you've
2 never heard it from Mr. Mulroney directly that he
3 received cash?

4 MR. DOUCET: I -- no, I have not.

5 MR. WOLSON, Q.C.: Okay.

6 MR. DOUCET: I'm sorry, I
7 shouldn't say that. I've heard subsequent ---

8 MR. WOLSON, Q.C.: Yes.

9 MR. DOUCET: --- to the -- you
10 know, what has been in the public domain.

11 MR. WOLSON, Q.C.: All right.

12 MR. DOUCET: You know, but I mean,
13 at the time as events were unfolding, the answer
14 is no.

15 MR. WOLSON, Q.C.: And you heard
16 it through the media?

17 MR. DOUCET: Through the media,
18 correct, in the first instance.

19 MR. WOLSON, Q.C.: I want to ask
20 you then -- we're aware, and I think you probably
21 are today too through the media, that there was a
22 second meeting at the Queen Elizabeth Hotel in
23 Montreal?

24 MR. DOUCET: Correct.

25 MR. WOLSON, Q.C.: Which we

1 believe is the 18th of December of '93.

2 MR. DOUCET: Can I just refer to
3 my tab? I think you're right. I think that's ---

4 MR. WOLSON, Q.C.: All right. Go
5 ahead.

6 MR. HOUSTON: You want to look at
7 something in the book?

8 MR. DOUCET: Yeah, just the date
9 of that before I ---

10 MR. HOUSTON: Track down your '93
11 diary. I think it's right there.

12 MR. DOUCET: Yeah, '93.

13 MR. WOLSON, Q.C.: What tab are
14 you referring to?

15 MR. HOUSTON: It's ---

16 MR. WOLSON, Q.C.: Tab 28?

17 MR. HOUSTON: --- Tab 29, Mr.

18 Doucet's diary for 1993.

19 MR. WOLSON, Q.C.: Yes.

20 MR. HOUSTON: And he's looking at
21 the entry for 17 December.

22 MR. WOLSON, Q.C.: Okay. I was
23 going to get there.

24 MR. DOUCET: Oh.

25 MR. WOLSON, Q.C.: That's okay,

1 we'll go there now.

2 MR. DOUCET: I thought that's the
3 one you were asking me about.

4 MR. WOLSON, Q.C.: No, no, I'm
5 going to -- we're going to do it right now.

6 MR. DOUCET: Okay.

7 MR. WOLSON, Q.C.: December the
8 17th, there's a note there I know says "5:00
9 o'clock" -- well, it says first of all -- it has
10 on this page "4:00 o'clock" and an arrow, "Brian".

11 MR. DOUCET: Correct.

12 MR. WOLSON, Q.C.: And I'm
13 assuming that's Brian Mulroney.

14 MR. DOUCET: So am I.

15 MR. WOLSON, Q.C.: You have no
16 issue with that assumption of mine?

17 MR. DOUCET: No, I don't.

18 MR. WOLSON, Q.C.: And then it
19 says, "5:00 o'clock, K. Schreiber" and then in
20 brackets "Queen E".

21 MR. DOUCET: Correct.

22 MR. WOLSON, Q.C.: Can you tell me
23 what that's in reference to then?

24 MR. DOUCET: Well, as I've come to
25 learn, there was a meeting between Mr. Mulroney

1 and Mr. Schreiber on that date.

2 MR. WOLSON, Q.C.: Yes.

3 MR. DOUCET: The facilitation of
4 which I have no memory of being involved in.

5 MR. WOLSON, Q.C.: Yes.

6 MR. DOUCET: I don't deny that I
7 could have been but I have no memory of it at all.
8 I was in Montreal that day for the purpose of
9 attending a function, as my diary shows.

10 MR. WOLSON, Q.C.: Yes.

11 MR. DOUCET: A dark suit and tie
12 function at the residence of Mr. Mulroney.

13 MR. WOLSON, Q.C.: Yes.

14 MR. DOUCET: I don't recall if it
15 was -- I don't recall what the -- maybe a
16 Christmas event, pre-Christmas party or -- but so
17 I am presuming that I went for that purpose. I
18 certainly did not attend that meeting ---

19 MR. WOLSON, Q.C.: Yes.

20 MR. DOUCET: --- with Mr.
21 Schreiber and Mr. Mulroney, and I have no memory
22 of meeting Mr. Mulroney at 4:00 but I don't deny
23 that it's there on my daybook, and I -- it's very
24 likely, very possible that I would have met with
25 him at his office on that day as well.

1 MR. WOLSON, Q.C.: Yes.

2 MR. DOUCET: Commonly when I went
3 to Montreal, if there was time in his schedule I
4 would certainly let him know most time when I had
5 time.

6 MR. WOLSON, Q.C.: Sure.

7 MR. DOUCET: And if we had a
8 chance to meet, we would meet, you know.

9 MR. WOLSON, Q.C.: And what about,
10 "5:00 o'clock, K. Schreiber, Queen E".

11 MR. DOUCET: Well, that's the
12 meeting I say I have no -- I had no participation
13 in the meeting, nor do I recall facilitating it.
14 It's in the book and that's my handwriting, and
15 the fact that "Queen E" is there would indicate to
16 me that I knew that the meeting was taking place.

17 MR. WOLSON, Q.C.: Okay. So
18 whether you arranged it or not, you knew that it
19 was occurring?

20 MR. DOUCET: I knew that it was
21 occurring if I rely on this daybook.

22 MR. WOLSON, Q.C.: If you met Mr.
23 Mulroney at 4:00 o'clock and the meeting were at
24 5:00 o'clock, do you recall having any discussions
25 with him about the meeting?

1 MR. DOUCET: I don't recall that
2 at all.

3 MR. WOLSON, Q.C.: Do you recall
4 having any discussions with him after that day or
5 that day later about the Queen Elizabeth meeting?

6 MR. DOUCET: I do not recall that,
7 no. I presume that at the social function there
8 would have been a number of people attending.

9 MR. WOLSON, Q.C.: Yes.

10 MR. DOUCET: I would not have been
11 the only person present there.

12 MR. WOLSON, Q.C.: Did you ever
13 have a conversation with Mr. Schreiber about the
14 meeting of the 17th of December?

15 MR. DOUCET: I have no memory of
16 that at all.

17 MR. WOLSON, Q.C.: Or of any
18 conversation with Mr. Mulroney about a meeting?

19 MR. DOUCET: No. I have no memory
20 of any feedback from that meeting at all with
21 either gentleman.

22 MR. WOLSON, Q.C.: At any time?

23 MR. DOUCET: At any time.

24 MR. WOLSON, Q.C.: Mr. Mulroney
25 never told you that he was paid cash at a meeting

1 with Mr. Schreiber?

2 MR. DOUCET: No, never. Never.

3 MR. WOLSON, Q.C.: That evening,
4 at six o'clock to eight o'clock, there's a
5 function at the Prime Minister's residence?

6 MR. DOUCET: Correct.

7 MR. WOLSON, Q.C.: And you
8 attended?

9 MR. DOUCET: Correct.

10 MR. WOLSON, Q.C.: If the meeting
11 were actually the 18th of December as opposed to
12 the 17th, you can't explain why these notations,
13 "four o'clock Brian", "five o'clock K. Schreiber",
14 "QE"?

15 MR. DOUCET: If the meeting had
16 been on the 18th versus ---

17 MR. WOLSON, Q.C.: The 18th, the
18 next day, yes.

19 MR. DOUCET: I don't have that ---

20 MR. WOLSON, Q.C.: It's not in --
21 to my knowledge, there's nothing on the 18th in
22 your diary, but I'm asking you if there were
23 evidence that a meeting took place on the 18th, can
24 you explain why you would have met with Brian
25 Mulroney at four o'clock and K. Schreiber at five

1 o'clock on the 17th?

2 MR. DOUCET: If there was a
3 meeting the following day?

4 MR. WOLSON, Q.C.: Yes.

5 MR. DOUCET: I have no idea of a
6 meeting the following day. So I ---

7 MR. WOLSON, Q.C.: And you have no
8 idea, other than your diary notations, as to
9 talking to either Mr. Schreiber at five o'clock
10 and Mr. Mulroney at four on the 17th of December?

11 MR. DOUCET: I do not know.

12 MR. WOLSON, Q.C.: Okay. The next
13 exhibit, please, would be the December 17th entry.

14 THE COURT REPORTER: Exhibit 15.

15 --- EXHIBIT NO./PIÈCE No. 15A:

16 Page from Mr. Doucet's agenda
17 dated December 17th

18 MR. WOLSON, Q.C.: We have in Mr.
19 Schreiber's diary referring to Tab 28 for the 17th
20 of December -- we have an indication at -- beside
21 the number 15 on the 17th, three o'clock, we have
22 Queen Elizabeth No. 2710.

23 MR. DOUCET: M'hm.

24 MR. WOLSON, Q.C.: Do you see
25 that?

1 MR. DOUCET: I see that, yeah.

2 MR. WOLSON, Q.C.: Just below that
3 he's got André Ouellet, Minister of External
4 Affairs at the notation 16. Do you see that?

5 MR. DOUCET: Yeah, I do. Is that
6 16? I can't see.

7 MR. HOUSTON: Just looking across
8 from the entry for the 16th of December ---

9 MR. DOUCET: I see that.

10 MR. HOUSTON: --- same time slot.

11 MR. WOLSON, Q.C.: Do you recall
12 whether André Ouellet was a relative of Mr.
13 Ouellet from GCI?

14 MR. DOUCET: I don't think there
15 was any -- I don't think they were related.

16 MR. WOLSON, Q.C.: I'd like to
17 file the 17th of December Schreiber diary as 15B.

18 THE COURT REPORTER: The first one
19 is 15A; the second one is 15B.

20 --- EXHIBIT NO./PIÈCE No. 15B:

21 Page from Mr. Schreiber's
22 agenda dated December 16

23 MR. WOLSON, Q.C.: And just
24 turning the page on Tab 28 to December the 18th,
25 you have in Mr. Schreiber's diary, at 11 o'clock,

1 "Brian home".

2 MR. DOUCET: Yes.

3 MR. WOLSON, Q.C.: And then in the
4 margin of the 18th of December there's an address?

5 MR. DOUCET: Yes.

6 MR. WOLSON, Q.C.: And that's the
7 address for Mr. Mulroney?

8 MR. DOUCET: That's the address
9 for his home, correct.

10 MR. WOLSON, Q.C.: Okay. And his
11 phone number?

12 MR. DOUCET: That is indeed.

13 MR. WOLSON, Q.C.: Would you know
14 whether or not Mr. Schreiber were in contact with
15 Mr. Mulroney on the 18th?

16 MR. DOUCET: I have no idea.

17 MR. WOLSON, Q.C.: Did Mr.
18 Mulroney ever tell you that?

19 MR. DOUCET: No.

20 MR. WOLSON, Q.C.: Mr. Schreiber?

21 MR. DOUCET: No.

22 MR. WOLSON, Q.C.: The next
23 exhibit, please.

24 MR. BATTISTA: This would be
25 Exhibit 16.

1 THE COURT REPORTER: Exhibit 16.

2 --- EXHIBIT NO./PIÈCE No. 16:

3 Page from Mr. Schreiber's
4 agenda dated December 18

5 MR. WOLSON, Q.C.: At any time
6 prior to your involvement with the meeting at the
7 Pierre Hotel, and I think it's the 8th of December
8 '94, did you have, that you can recall today, any
9 discussions with Mr. Mulrone y or Mr. Schreiber
10 involving the Queen Elizabeth Hotel meeting?

11 MR. DOUCET: No.

12 MR. WOLSON, Q.C.: Tell me then,
13 if you will, sir, about the meeting that took
14 place at the Pierre Hotel in New York in December
15 of 1994. Did you arrange that meeting?

16 MR. DOUCET: I arranged that
17 meeting.

18 MR. WOLSON, Q.C.: And could you
19 be a little more fulsome as to the circumstances
20 that caused you to arrange that meeting?

21 MR. DOUCET: Correct.

22 I received a call -- I believe a
23 call versus face to face -- from Mr. Schreiber ---

24 MR. WOLSON, Q.C.: Yes.

25 MR. DOUCET: --- telling me that

1 he was going to be organizing a surprise luncheon
2 for Elmer McKay and his new wife. They had been
3 married shortly before that time and that he was
4 going to put on a surprise lunch for them in New
5 York.

6 MR. WOLSON, Q.C.: Yes. Mr.
7 Schreiber was?

8 MR. DOUCET: Correct, yes.

9 And as it turned out, Mr.
10 Schreiber was in New York for other purposes a day
11 or so before, apparently, and it was convenient
12 and they were invited and they went to New York.

13 MR. WOLSON, Q.C.: When you say
14 "they", Mr. Schreiber and ---

15 MR. DOUCET: No, when I say "they"
16 I'm talking about Elmer and his wife.

17 MR. WOLSON, Q.C.: Okay. I'm
18 sorry.

19 MR. DOUCET: And he spoke with me
20 about first having Mr. Mulroney ---

21 MR. WOLSON, Q.C.: "He" being Mr.
22 Schreiber?

23 MR. DOUCET: "He" being Mr.
24 Schreiber, be the surprise attendee ---

25 MR. WOLSON, Q.C.: Yes.

1 MR. DOUCET: --- at that luncheon,
2 how much that would mean to Elmer McKay and his
3 wife ---

4 MR. WOLSON, Q.C.: Yes.

5 MR. DOUCET: --- if Mr. Mulroney
6 were to drop in and, by implication, how pleased
7 Mr. Schreiber would be as well if he were able to
8 land that.

9 And he said that he also would
10 want to make use of that possibility to have a
11 private meeting with Mr. Mulroney for the purposes
12 of engaging in the ongoing assignment that Mr.
13 Mulroney had with him. Could I arrange or
14 facilitate that, and I said, "Well, sure, I'll
15 endeavour to see if that's possible."

16 So I spoke with Mr. Mulroney, told
17 him the request that had been made.

18 MR. WOLSON, Q.C.: And the request
19 made was just as you've stated?

20 MR. DOUCET: Correct.

21 MR. WOLSON, Q.C.: Yes.

22 MR. DOUCET: To attend this event
23 with Elmer and, secondly, to use the occasion to
24 have a briefing or a consultation session with Mr.
25 Mulroney at the same time, or around the same

1 time.

2 So I put it to Mr. Mulroney, and
3 he agreed. He was pleased to be able to attend
4 and be the surprise guest at Elmer and his wife's
5 luncheon and agreed as well to the meeting with
6 Mr. Schreiber prior to the luncheon.

7 MR. WOLSON, Q.C.: Who else was
8 invited to this reception or luncheon?

9 MR. DOUCET: I don't recall. I
10 know that there were other people there. I don't
11 recall who they were, not because I wouldn't have
12 known them; I just have no memory of them.

13 MR. WOLSON, Q.C.: Okay.

14 MR. DOUCET: But there were other
15 individuals at the meeting -- at the luncheon.

16 MR. WOLSON, Q.C.: And obviously
17 Mr. Mulroney agreed?

18 MR. DOUCET: Yes, he agreed.

19 MR. WOLSON, Q.C.: And when you
20 got to the hotel, the Pierre Hotel, was Mr.
21 Schreiber there already?

22 MR. DOUCET: Mr. Mulroney and I
23 travelled together from Montreal, and from the
24 airport to the Pierre. When we got to the Pierre,
25 I think I rang Mr. Schreiber. The meeting timing

1 had been arranged.

2 MR. WOLSON, Q.C.: What time was
3 that?

4 MR. DOUCET: I think it was
5 arranged for 11 o'clock.

6 MR. WOLSON, Q.C.: Yes.

7 MR. DOUCET: Now, we may have
8 gotten there a little bit before, and I rang his
9 room, I presume. I'm not certain about that. And
10 in any event, we went up to his room.

11 MR. WOLSON, Q.C.: And you're
12 thinking it was 11:00?

13 MR. DOUCET: My thinking was
14 11:00, yeah.

15 MR. WOLSON, Q.C.: That's the time
16 that you had prearranged for this meeting?

17 MR. DOUCET: That's the time that
18 we had prearranged.

19 MR. WOLSON, Q.C.: And ---

20 MR. DOUCET: At some point -- just
21 on the time, at some point in the arranging of it,
22 the time changed. More time was added.

23 MR. WOLSON, Q.C.: For that
24 meeting?

25 MR. DOUCET: For that meeting,

1 correct.

2 MR. WOLSON, Q.C.: What time was
3 the luncheon called for?

4 MR. DOUCET: I think 12:30.

5 MR. WOLSON, Q.C.: Okay.

6 MR. DOUCET: I have reference to
7 it in my Day Book, but I think that's about 12:30.

8 MR. WOLSON, Q.C.: Let's go to
9 your Day Book.

10 MR. DOUCET: Okay.

11 MR. WOLSON, Q.C.: You're talking
12 about Tab 29?

13 MR. HOUSTON: Tab 29 is his diary
14 for 1993, so to speak.

15 MR. WOLSON, Q.C.: Yes.

16 MR. HOUSTON: So I'll just go to
17 that.

18 MR. WOLSON, Q.C.: That would be
19 Tab 38. You've got -- on December the 8th you've
20 got, "Brian and KH, lunch re Elmer", et cetera,
21 and you've got a circled -- there's a circle
22 around 12 and an arrow pointing to 30.

23 MR. DOUCET: Pointing to 30?
24 Right, yeah.

25 MR. WOLSON, Q.C.: And there's

1 also a box around the time 11:00.

2 MR. DOUCET: Yes.

3 MR. WOLSON, Q.C.: And an arrow
4 pointing there ---

5 MR. DOUCET: Yes.

6 MR. WOLSON, Q.C.: --- from the
7 line where you have "Brian and KH"

8 MR. DOUCET: Correct.

9 MR. WOLSON, Q.C.: Brian is Brian
10 Mulroney?

11 MR. DOUCET: Correct.

12 MR. WOLSON, Q.C.: KH is Karlheinz
13 Schreiber?

14 MR. DOUCET: Correct.

15 MR. WOLSON, Q.C.: And what does
16 this tell you?

17 MR. DOUCET: One more thing that's
18 on there is the "move it up".

19 MR. WOLSON, Q.C.: Yes.

20 MR. DOUCET: And that's what I was
21 referring to when I said I thought there was a
22 change in the actual timing of the meeting.

23 MR. WOLSON, Q.C.: And you
24 actually have -- while we're on the document
25 itself, you have, "7:40, Delta to New York."

1 MR. DOUCET: Correct.

2 MR. WOLSON, Q.C.: That would be
3 the flight you'd taken with Mr. Mulroney from
4 Montreal to New York?

5 MR. DOUCET: Yes.

6 MR. WOLSON, Q.C.: And you have "1
7 East 60th". That would be the address, likely, of
8 the Pierre?

9 MR. DOUCET: The Pierre Hotel,
10 right.

11 MR. WOLSON, Q.C.: And you've got
12 the words "move it up". So your recollection is
13 the meeting was at 11 o'clock?

14 MR. DOUCET: And it may have
15 started somewhat before.

16 MR. WOLSON, Q.C.: Okay.

17 MR. DOUCET: Because we -- we're
18 never sure in New York what time you get to
19 downtown, as you know, when you fly in, depending
20 on traffic.

21 MR. WOLSON, Q.C.: Yes.

22 MR. DOUCET: But I think there was
23 agreement with Mr. Schreiber that if we got there
24 earlier, we would move the start of that meeting
25 up.

1 MR. WOLSON, Q.C.: Yes.

2 MR. DOUCET: But I'm

3 reconstructing here.

4 MR. WOLSON, Q.C.: Okay.

5 MR. DOUCET: I recall that we got
6 there a little bit ahead of time.

7 MR. WOLSON, Q.C.: All right.

8 MR. DOUCET: And then the ---

9 MR. WOLSON, Q.C.: Was this just a
10 day trip?

11 MR. DOUCET: Yes, we returned that
12 -- we returned that day. I have leaving down on
13 the same entry.

14 MR. WOLSON, Q.C.: And that would
15 be sometime after 4 o'clock?

16 MR. DOUCET: I presume, yeah. I
17 don't have any copies of anything more than what I
18 have in the daybook.

19 MR. WOLSON, Q.C.: Okay. And just
20 to confirm that there's some coordination in Mr.
21 Schreiber's diary, going to Tab 37 on December 8th
22 it says 10:30. While it doesn't say where, it
23 says "Brian 10:30".

24 MR. DOUCET: Okay. Se we may have
25 said that we might get there as early as 10:30.

1 MR. WOLSON, Q.C.: All right.

2 So the meeting was sometime

3 between 10:30 and 11:00. It started ---

4 MR. DOUCET: Correct.

5 MR. WOLSON, Q.C.: --- and it was
6 going to go till noon?

7 MR. DOUCET: Twelve-thirty
8 (12:30), I think, because the arrow points to
9 12:30.

10 MR. WOLSON, Q.C.: Okay. And then
11 there was going to be this surprise lunch ---

12 MR. DOUCET: Yes.

13 MR. WOLSON, Q.C.: --- for Mr. --
14 or at least a lunch involving -- was Mr. Schreiber
15 there with his wife?

16 MR. DOUCET: I do believe.

17 MR. WOLSON, Q.C.: And ---

18 MR. DOUCET: As a matter of fact,
19 I think when we came down to the lunch she was
20 already there sitting with them.

21 MR. WOLSON, Q.C.: Okay.

22 MR. DOUCET: With "them" being Mr.
23 and Mrs. McKay.

24 MR. WOLSON, Q.C.: All right.

25 How much time then approximately

1 did you spend in the room? And were you in the
2 room with Messrs Schreiber and Mulroney?

3 MR. DOUCET: Yes, the entire
4 meeting.

5 MR. WOLSON, Q.C.: And the
6 meeting, again, would have taken somewhere around
7 what time approximately?

8 MR. DOUCET: From when it started
9 to when it ---

10 MR. WOLSON, Q.C.: Yes.

11 MR. DOUCET: Well, it would have
12 started somewhere between 10:30 and 11:00, and it
13 would have ended sometime before 12:30.

14 MR. DOUCET: Okay.

15 MR. WOLSON, Q.C.: But I don't
16 remember if we went directly from the meeting to
17 the luncheon.

18 MR. WOLSON, Q.C.: yes.

19 MR. DOUCET: Knowing Mr. Mulroney,
20 I think he would have made a major pit stop to
21 freshen up a bit.

22 MR. WOLSON, Q.C.: Yes.

23 MR. DOUCET: So I can't be certain
24 that it ducktails like this, but somewhere between
25 10:30 and sometime before 12:30 was the duration

1 of the meeting.

2 MR. WOLSON, Q.C.: Okay.

3 MR. DOUCET: Yeah.

4 MR. WOLSON, Q.C.: And then Mr.
5 Mulroney would have tidied up and surprised Mr.
6 McKay and Mrs. McKay at this lunch?

7 MR. DOUCET: Correct, yeah.

8 MR. WOLSON, Q.C.: And let me then
9 ask you to tell us about the meeting that you
10 attended. First of all, prior to getting to New
11 York, did you discuss with Mr. Mulroney this
12 meeting with Mr. Schreiber?

13 MR. DOUCET: Yes. Well, when I
14 facilitated the meeting, I told him what Mr.
15 Schreiber wanted to do at the meeting.

16 MR. WOLSON, Q.C.: And what did
17 you tell him?

18 MR. DOUCET: Very generally. As I
19 recall he said, "I look to Mr. Mulroney to give me
20 a report, an ongoing report, and I have some
21 materials I want to share with him."

22 MR. WOLSON, Q.C.: Yes.

23 MR. DOUCET: It wasn't any broader
24 than that.

25 MR. WOLSON, Q.C.: Okay. So you

1 had first had a conversation with Mr. Schreiber
2 where he told you about wanting to surprise the
3 McKays and he told you that he wanted a business
4 meeting as well, and he had told -- and you'll
5 have to answer this.

6 MR. DOUCET: I'm sorry. Yes.

7 MR. WOLSON, Q.C.: And he told
8 you, Mr. Schreiber did, that he wanted to in fact
9 get an update on what Mr. Mulroney had been doing
10 on the matter of the retainer. Would that be
11 accurate?

12 MR. DOUCET: Yeah. That's
13 accurate, yeah, sure. That's the essence of it,
14 yeah.

15 MR. WOLSON, Q.C.: All right.

16 And then as you -- you had this
17 conversation with Mr. Mulroney where he agreed to
18 accompany you to New York?

19 MR. DOUCET: Well, I don't want to
20 enlarge myself here. I was accompanying him to
21 New York.

22 MR. WOLSON, Q.C.: Very well.

23 MR. DOUCET: It was -- he was the
24 surprise ---

25 MR. WOLSON, Q.C.: I understand.

1 MR. DOUCET: --- not your humble
2 servant.

3 MR. WOLSON, Q.C.: All right.

4 And as you flew there -- because
5 it's probably about an hour flight, I would think,
6 from Montreal to New York?

7 MR. DOUCET: At least, yes, I
8 would say.

9 MR. WOLSON, Q.C.: Did you discuss
10 the upcoming meeting that you were going to have
11 with Mr. Schreiber?

12 MR. DOUCET: I have no memory of
13 that at all.

14 MR. WOLSON, Q.C.: Okay. Did he
15 say to you at some point anything about the
16 retainer that he'd been paid to date?

17 MR. DOUCET: I have no memory of
18 that at all.

19 MR. WOLSON, Q.C.: And of course
20 you've already indicated this; he never had
21 indicated to you at that point or at any time up
22 until that point about any cash retainers?

23 MR. DOUCET: Never any cash.

24 MR. WOLSON, Q.C.: Yes.

25 MR. DOUCET: The first time I

1 visibly saw -- to the extent that I did -- a
2 transaction, was at the meeting when an envelope
3 was handed and reference was made to -- by Mr.
4 Schreiber, "Payment for services and expenses
5 rendered."

6 MR. WOLSON, Q.C.: But of course
7 you didn't know what was in the envelope?

8 MR. DOUCET: Absolutely not.

9 MR. WOLSON, Q.C.: You didn't know
10 whether it was a cheque or cash?

11 MR. DOUCET: I did not know. I
12 did not know.

13 MR. WOLSON, Q.C.: But Mr.
14 Schreiber had always paid you by cheque?

15 MR. DOUCET: Absolutely.

16 MR. WOLSON, Q.C.: If we could
17 just file the two documents, December 8, in Mr.
18 Schreiber's diary, as the next exhibit B, and Mr.
19 Doucet's December 8 diary as the next exhibit A.

20 THE COURT REPORTER: So 16A.

21 MR. BATTISTA: Seventeen (17), I
22 think. Sixteen (16) was the December 18 Daytimer.
23 Okay. So this is -- so we said -- we're at what now?

24 THE COURT REPORTER: Exhibit 17A.

25 MR. HOUSTON: Seventeen (17).

1 MR. BATTISTA: Seventeen A (17A) and
2 17B.

3 --- EXHIBIT NO./PIÈCE NO. 17A:

4 Page from Mr. Doucet's agenda
5 dated December 8

6 --- EXHIBIT NO./PIÈCE NO. 17B:

7 Page from Mr. Schreiber's
8 agenda dated December 8

9 MR. WOLSON, Q.C.: Your trip to
10 New York was just you and Mr. Mulroney?

11 MR. DOUCET: Oh, yes.

12 MR. WOLSON, Q.C.: It wasn't
13 anyone ---

14 MR. DOUCET: No.

15 MR. WOLSON, Q.C.: It wasn't his
16 wife or anyone else?

17 MR. DOUCET: No, no.

18 MR. WOLSON, Q.C.: Okay.

19 MR. DOUCET: Just the two of us.

20 MR. WOLSON, Q.C.: And it was a
21 commercial airline?

22 MR. DOUCET: Commercial airline.
23 I think that's the Delta flight that's referred to
24 there.

25 MR. WOLSON, Q.C.: Yes.

1 And you had testified before the
2 Ethics Committee. You had said you were one of a
3 number of guests invited to attend a reception for
4 Elmer McKay and his wife on the occasion of their
5 wedding. Karlheinz Schreiber and Brian Mulroney
6 were in attendance. That's an accurate statement
7 that you gave to the Ethics Committee?

8 MR. DOUCET: Yeah. I would state
9 it differently if I were saying it today, in the
10 sense that the -- sorry, would you read that to me
11 again?

12 MR. WOLSON, Q.C.: Sure. You said
13 ---

14 MR. DOUCET: You're quoting from
15 the ---

16 MR. WOLSON, Q.C.: Yes, I am; that
17 you were one of a number of guests invited to
18 attend a reception for Elmer McKay and his wife on
19 the occasion of their wedding.

20 MR. DOUCET: Yeah.

21 MR. WOLSON, Q.C.: Karlheinz
22 Schreiber and Brian Mulroney were in attendance.

23 MR. DOUCET: Yeah. I would -- I
24 would state it differently today in the way that I
25 just have.

1 MR. WOLSON, Q.C.: All right.

2 MR. DOUCET: As to the number of
3 people, I know there were additional people there.
4 I don't know if it was two or three or four or
5 five, but there were other people at the table.

6 MR. WOLSON, Q.C.: Okay.

7 MR. DOUCET: The main difference
8 that I would -- that I would say to that is that
9 the context of he, Mr. Mulroney, being invited to
10 be a surprise guest which was not ---

11 MR. WOLSON, Q.C.: All right. And
12 you've stated that.

13 MR. DOUCET: That's right.

14 MR. WOLSON, Q.C.: You stated it
15 today.

16 MR. DOUCET: That's correct, yeah.

17 MR. WOLSON, Q.C.: Okay. What
18 you've stated today is an accurate reflection of
19 what occurred?

20 MR. DOUCET: Absolutely accurate.

21 MR. WOLSON, Q.C.: All right.

22 Now, I want you then to tell me
23 about the meeting with Mr. Mulroney and Mr.
24 Schreiber, and I'm assuming it happened in a hotel
25 room?

1 MR. DOUCET: Correct, yeah.

2 MR. WOLSON, Q.C.: And you were
3 present?

4 MR. DOUCET: I was.

5 MR. WOLSON, Q.C.: And tell me
6 about that meeting, please.

7 MR. DOUCET: Well, after the
8 pleasantries, they got into a discussion on ---

9 MR. WOLSON, Q.C.: What as Mr.
10 Mulroney's -- how did he engage with Mr. Schreiber
11 and vice versa? Was it a very cordial engagement?

12 MR. DOUCET: Very cordial.

13 MR. WOLSON, Q.C.: They ---

14 MR. DOUCET: Extremely cordial.

15 MR. WOLSON, Q.C.: They are
16 friends and business associates now?

17 MR. DOUCET: Correct.

18 MR. WOLSON, Q.C.: That's a
19 correct statement?

20 MR. DOUCET: I don't know about
21 friends, how you would define that, but certainly
22 they were friendly to each other.

23 MR. WOLSON, Q.C.: Okay.

24 MR. DOUCET: And certainly it was
25 a business meeting.

1 MR. WOLSON, Q.C.: All right.

2 And tell me about the meeting.

3 MR. DOUCET: The ---

4 MR. WOLSON, Q.C.: Was this a sit-
5 down meeting?

6 MR. DOUCET: Sit-down meeting. I
7 recall the room rather specifically. Mr. Mulroney
8 and I were sitting on a couch and Mr. Schreiber
9 was sitting on a chair, I believe, maybe a couch,
10 directly in front. And that's where the meeting
11 -- there was a little table in between and he had
12 -- Mr. Schreiber had volumes of paper which at
13 various times throughout the meeting he would show
14 Mr. Mulroney.

15 MR. WOLSON, Q.C.: And what were
16 these papers?

17 MR. DOUCET: They had to do with
18 military vehicles ---

19 MR. WOLSON, Q.C.: Yes.

20 MR. DOUCET: --- about which he
21 expanded largely.

22 And the other thing that I
23 remember about the meeting is Mr. Mulroney telling
24 him about his travels to China, Russia and France,
25 and reporting to Mr. Schreiber about the

1 conclusions that he had reached with respect to
2 how supportive they might be at the UN in the
3 context that those three countries were members of
4 the permanent group of countries at the UN
5 Security Council.

6 MR. WOLSON, Q.C.: Yes.

7 MR. DOUCET: And the influence
8 that these countries have in relationship to
9 peacekeeping efforts and/or the machinery that is
10 required to give effect to these peacekeeping
11 initiatives, in the context of the prospect of
12 promoting the Thyssen vehicles, the family of
13 vehicles as I recall, as the appropriate vehicles
14 that could then be purchased by the participating
15 countries in those peacekeeping theatres.

16 But the point that he was making,
17 that I recall so vividly because I thought he was
18 so eloquent in the way in which he presented it,
19 was the influence that these three countries would
20 have on anything that had to do with the UN
21 imprimatur with respect to peacekeeping because
22 they are part of the permanent -- the few -- I
23 think the five countries that are the permanent
24 five of the UN.

25 MR. WOLSON, Q.C.: And did he say

1 -- you indicated that he had gone to China.

2 MR. DOUCET: Yes.

3 MR. WOLSON, Q.C.: Did he say who
4 he met in China?

5 MR. DOUCET: As best I can recall,
6 it was the leadership, the Chinese leadership. As
7 you know, China has a very diffused leadership, at
8 least it did then, and one referred to it as the
9 Chinese leadership and that's what rings right.

10 MR. WOLSON, Q.C.: Did he indicate
11 the nature of the trip? Was it a trip
12 specifically for Mr. Schreiber? Did he indicate
13 whether he -- let me ask you that first.

14 MR. DOUCET: Sorry.

15 MR. WOLSON, Q.C.: Did he indicate
16 to Mr. Schreiber that it was a trip he made
17 specifically on behalf of Schreiber and the
18 Thyssen vehicles?

19 MR. DOUCET: I had no memory that
20 he specified as to whether or not this was the
21 sole purpose of his trip.

22 MR. WOLSON, Q.C.: Okay.

23 MR. DOUCET: But that's what he
24 reported on, that component at least of it.

25 MR. WOLSON, Q.C.: Did he indicate

1 how much time he had spent in China?

2 MR. DOUCET: I don't recall that
3 either.

4 MR. WOLSON, Q.C.: Let's go then
5 to Russia.

6 MR. DOUCET: Yes.

7 MR. WOLSON, Q.C.: Did he indicate
8 who he met with in Russia?

9 MR. DOUCET: Yes. In that case,
10 he made frequent reference to meeting President
11 Yeltsin.

12 MR. WOLSON, Q.C.: And did he
13 indicate whether the trip to Russia was solely on
14 behalf of Mr. Schreiber or Thyssen?

15 MR. DOUCET: No, he did not.

16 MR. WOLSON, Q.C.: And did he
17 indicate how long he had talked to Mr. Yeltsin
18 for?

19 MR. DOUCET: I have no memory of
20 that.

21 MR. WOLSON, Q.C.: Then you
22 indicated that he met Mitterrand -- or you didn't
23 indicate Mitterrand, I don't think, but he went to
24 France.

25 MR. DOUCET: But I will now, yes.

1 MR. WOLSON, Q.C.: Okay. I'm
2 reading your mind because I'm familiar with your
3 testimony on a prior occasion.

4 MR. DOUCET: Sure.

5 MR. WOLSON, Q.C.: Did he in fact
6 say that he met Mr. Mitterrand?

7 MR. DOUCET: Yes, he did say that,
8 yes.

9 MR. WOLSON, Q.C.: Did he say
10 anything about going to France for that purpose
11 exclusively?

12 MR. DOUCET: I have no memory of
13 that either way.

14 MR. WOLSON, Q.C.: Okay. Was
15 there discussed the ability of these countries to
16 buy Thyssen vehicles?

17 MR. DOUCET: I don't recall that
18 specifically. As I said before, what I do recall
19 is the influence these countries would have in
20 possible procurements that would be UN sponsored,
21 given their role at the Security Council.

22 MR. WOLSON, Q.C.: Okay. And so
23 this was a pretty long meeting?

24 MR. DOUCET: Well, it was around
25 an hour and a half, I would estimate.

1 MR. WOLSON, Q.C.: Yes.

2 And what was Schreiber's reaction
3 to the briefing that the former Primer Minister
4 had given him?

5 MR. DOUCET: My recollection is
6 that Mr. Schreiber was very, very impressed by the
7 exchange.

8 MR. WOLSON, Q.C.: Certainly you
9 were?

10 MR. DOUCET: Certainly I was,
11 having travelled with him before and knowing the
12 ease that he has to present -- to present to
13 leaders and the effectiveness with which he did it
14 when we were in government.

15 MR. WOLSON, Q.C.: Sure.

16 MR. DOUCET: I could see a
17 connection between the two.

18 MR. WOLSON, Q.C.: All right.

19 And tell me then about how the
20 meeting ended and the handing over of the envelope
21 that you have talked about.

22 MR. DOUCET: Rather informally, we
23 were, I think, standing at the time that this
24 occurred and Mr. Schreiber grabbed in his bag,
25 valise, an envelope and he said, "Here you are,

1 Brian. Here's some payment, some payment for you
2 ongoing" -- I believe was said -- "for your
3 retainer."

4 MR. WOLSON, Q.C.: Okay. And what
5 did Mr. Mulroney do with that?

6 MR. DOUCET: He said, "Thank you"
7 and he put it in his own briefcase.

8 MR. WOLSON, Q.C.: So Mr.
9 Schreiber would address him by his first name?

10 MR. DOUCET: Certainly on that
11 occasion and not infrequently would he do that.

12 MR. WOLSON, Q.C.: Okay.

13 MR. DOUCET: And I recall meetings
14 even with other people present.

15 MR. WOLSON, Q.C.: Yes.

16 MR. DOUCET: He would call him
17 Brian, which I found that a little strange that he
18 would do that. I wouldn't.

19 MR. WOLSON, Q.C.: Yes, with other
20 people present and Mulroney not present, or other
21 people present and Mr. Mulroney there?

22 MR. DOUCET: Both.

23 MR. WOLSON, Q.C.: Both. Okay.

24 Tell me then; the meeting ends;
25 the envelope is passed to Mr. Mulroney. What does

1 he do with the envelope?

2 MR. DOUCET: He puts it in his --
3 in his briefcase.

4 MR. WOLSON, Q.C.: Okay.

5 MR. DOUCET: And then we all leave
6 at the same time.

7 MR. WOLSON, Q.C.: You all leave
8 the room?

9 MR. DOUCET: We all leave the room
10 at the same time.

11 MR. WOLSON, Q.C.: Had you had a
12 room there, you and Mr. Mulroney?

13 MR. DOUCET: No. See, we just got
14 there in the morning.

15 MR. WOLSON, Q.C.: Yes.

16 MR. DOUCET: And came back that
17 same evening.

18 MR. WOLSON, Q.C.: But you didn't
19 get a day room or anything?

20 MR. DOUCET: No, we didn't get a
21 day room, no.

22 MR. WOLSON, Q.C.: Okay.

23 MR. DOUCET: No.

24 MR. WOLSON, Q.C.: And so you all
25 leave the room at the same time. Now, where do

1 you go?

2 MR. DOUCET: I believe we all went
3 down at the same time, and when we got to the
4 first floor -- I think the first floor -- Mr.
5 Mulroney said, "I'm going to go to the washroom
6 and I'll join you there." And Mr. Schreiber
7 indicated what the location was for the event and
8 then he went off, and Mulroney and I arrived there
9 together, and that's where Elmer was very
10 surprised.

11 MR. WOLSON, Q.C.: So you waited
12 for Mulroney. Mr. Mulroney had gone to the
13 washroom to freshen up?

14 MR. DOUCET: Correct.

15 MR. WOLSON, Q.C.: He came out.

16 MR. DOUCET: I think I may even
17 have gone with him. I don't recall.

18 MR. WOLSON, Q.C.: All right. I
19 don't need to follow that through.

20 But at some point the two of you
21 go down to the ---

22 MR. DOUCET: Correct.

23 MR. WOLSON, Q.C.: --- luncheon
24 and you see the surprise from Mr. McKay and his
25 wife?

1 MR. DOUCET: That's right.

2 MR. WOLSON, Q.C.: Am I accurately
3 describing that?

4 MR. DOUCET: You're accurate, yes.

5 MR. WOLSON, Q.C.: Yes. It
6 wouldn't be every day that a former prime minister
7 would drop in on a luncheon?

8 MR. DOUCET: I don't think so.

9 MR. WOLSON, Q.C.: So you could
10 see a genuine surprise?

11 MR. DOUCET: Yes.

12 MR. WOLSON, Q.C.: And how long
13 did you spend with the McKays and others that
14 afternoon; do you recall?

15 MR. DOUCET: You know, I don't
16 recall that.

17 MR. WOLSON, Q.C.: Did you have a
18 chance to see some of New York or did you simply
19 leave after spending the time with the McKays and
20 go to the airport? Do you recall?

21 MR. DOUCET: I really do not
22 recall. I do not recall whether there was any --
23 I mean, this was 12:30. The lunch, presumably an
24 hour or more. It would be 1:30, 2:00. That's a
25 long time before flight time if it was early

1 evening. So I really -- I do not recall what the
2 afternoon held for us.

3 MR. WOLSON, Q.C.: Were you
4 together, you and Mr. Mulroney, that is?

5 MR. DOUCET: Yes. I don't recall
6 if we were together the whole time or part of the
7 time, or whether he had another meeting to go to
8 and I waited around somewhere. I really don't
9 recall. Or I may have even gone to the airport
10 and rendezvous'd with him there. I don't recall.

11 MR. WOLSON, Q.C.: Okay. You
12 never went with him anywhere that you recall?

13 MR. DOUCET: I never went with him
14 anywhere that I recall.

15 MR. WOLSON, Q.C.: In New York,
16 that is?

17 MR. DOUCET: In New York. That's
18 correct.

19 MR. WOLSON, Q.C.: You never went
20 to the bank or you never went to do any shopping
21 or anything like that?

22 MR. DOUCET: I have no memory of
23 it.

24 MR. WOLSON, Q.C.: Okay. Let me
25 ask you this. You fly back together, you and Mr.

1 Mulroney?

2 MR. DOUCET: I do believe we did.

3 I have no memory of that part of it.

4 MR. WOLSON, Q.C.: The ticket
5 seems to indicate that.

6 MR. DOUCET: Okay.

7 MR. WOLSON, Q.C.: We've seen a
8 copy of the ticket.

9 MR. DOUCET: Yeah. Very good. So
10 we flew back together.

11 MR. WOLSON, Q.C.: And was there
12 conversation on the plane regarding the meeting?

13 MR. DOUCET: No conversation at
14 all.

15 MR. WOLSON, Q.C.: How did he
16 address you? Fred, did he call you?

17 MR. DOUCET: Yes.

18 MR. WOLSON, Q.C.: And did he ever
19 say to you, "Fred, you know, I'm troubled by this
20 guy," meaning Schreiber, in some fashion?

21 MR. DOUCET: No.

22 MR. WOLSON, Q.C.: No? Okay.

23 MR. DOUCET: Not at that stage.

24 MR. WOLSON, Q.C.: And you simply
25 flew back to Canada ---

1 MR. DOUCET: Yeah.

2 MR. WOLSON, Q.C.: --- and that
3 was the end of that visit?

4 MR. DOUCET: Correct.

5 MR. WOLSON, Q.C.: We are, I'm
6 guessing, about 45 minutes away from finishing.
7 Can we take a little five-minute or 10-minute
8 break now?

9 MR. DOUCET: Sure. I need to get
10 back to my office, if I can, by about a quarter to
11 5:00 because I have some business stuff do to.

12 MR. WOLSON, Q.C.: Let's break for
13 five minutes and I'll get you back to your office.

14 MR. DOUCET: Very good.

15 MR. WOLSON, Q.C.: I won't take
16 you back, but I'll get you back.

17 MR. DOUCET: Okay. Thank you.

18 --- Upon recessing at 3:54 p.m. /

19 L'audience est suspendue à 15h54

20 --- Upon resuming at 4:00 p.m. /

21 L'audience est reprise à 16h00

22 MR. WOLSON, Q.C.: We are ready to
23 go back on the record if you are.

24 After that meeting on the 8th of
25 December 1994, what do you recall next in terms of

1 your contact with Mr. Schreiber? By that time,
2 the 8th of December '94, had you pretty well
3 finished your involvement with Mr. Schreiber and
4 the Thyssen Project?

5 MR. DOUCET: I think so. I think
6 that the contacts after that were sparse indeed
7 ---

8 MR. WOLSON, Q.C.: Okay.

9 MR. DOUCET: --- because there had
10 been no continuity to the project in East End
11 Montreal.

12 MR. WOLSON, Q.C.: That is it
13 never went ahead?

14 MR. DOUCET: That's correct.

15 MR. WOLSON, Q.C.: Yes.

16 MR. DOUCET: My best efforts at
17 nurturing a possible ongoing thing died on the
18 vine, so to speak.

19 MR. WOLSON, Q.C.: All right.

20 MR. DOUCET: And so to answer your
21 question specifically, the first thing that comes
22 to mind after that is receiving a call from him
23 regarding the letter to the Swiss authorities.

24 MR. WOLSON, Q.C.: The letter of
25 request?

1 MR. DOUCET: The letter of
2 request, yes.

3 MR. WOLSON, Q.C.: Okay.

4 MR. DOUCET: Now, there may have
5 been the odd call. Mr. Schreiber was quite given
6 to telephoning people, you know, any time of the
7 day or night.

8 MR. WOLSON, Q.C.: And I don't
9 need to ask you much about the letter of request,
10 but did you have much, in fact, to do with Mr.
11 Schreiber after '94 December with the exception of
12 the letter of request and the odd call that he may
13 have given you?

14 MR. DOUCET: No, the answer is I
15 did not have anything to do with him after that.

16 To the letter of request, he did
17 call me to ask me to call Mr. Mulroney ---

18 MR. WOLSON, Q.C.: Okay.

19 MR. DOUCET: --- to tell him about
20 what was coming.

21 MR. WOLSON, Q.C.: Sure.

22 MR. DOUCET: And I did that.

23 MR. WOLSON, Q.C.: All right.

24 MR. DOUCET: And ---

25 MR. WOLSON, Q.C.: I don't really

1 have to go there.

2 MR. DOUCET: Okay.

3 MR. WOLSON, Q.C.: Unless there
4 was something you needed ---

5 MR. DOUCET: No.

6 MR. WOLSON, Q.C.: --- to say?

7 MR. DOUCET: No.

8 MR. WOLSON, Q.C.: So at the end
9 of it all, the business relationship you had with
10 Karlheinz Schreiber was indeed the Bear Head
11 Project and the project as it moved to Montreal?
12 That's what you had done with ---

13 MR. DOUCET: Correct.

14 MR. WOLSON, Q.C.: --- Mr.
15 Schreiber?

16 MR. DOUCET: That's correct.

17 MR. WOLSON, Q.C.: And other than
18 the fact that your -- the Bear Head work, the
19 Thyssen work, had not developed, was there any
20 other reason that you sort of had no contact with
21 Mr. Schreiber?

22 MR. DOUCET: Not at that time, no.
23 I'm talking about the so-called dead period
24 between December of '94, early '95, up to 1999.

25 MR. WOLSON, Q.C.: Okay. You have

1 much more history and a much better relationship
2 with Mr. Mulroney than Mr. Schreiber, obviously?

3 MR. DOUCET: Yes.

4 MR. WOLSON, Q.C.: You've had a
5 life -- not a lifelong, close to it, relationship
6 with Mr. Schreiber (sic) -- with Mr. Mulroney?

7 MR. DOUCET: Fifty-five (55)
8 years.

9 MR. WOLSON, Q.C.: Yes.

10 I want to take you next then to
11 the -- I understand in the fall of 1999 you
12 watched a Fifth Estate program and you
13 characterized that program in October of '99 --
14 you characterized that program, you indicated at
15 least to the Ethics Committee that you were
16 troubled by the number of inaccuracies and
17 innuendos in it?

18 MR. DOUCET: Yes.

19 MR. WOLSON, Q.C.: So by that
20 time, because it was on that program, you
21 certainly knew that Karlheinz Schreiber had been
22 arrested?

23 MR. DOUCET: I knew that well
24 before.

25 MR. WOLSON, Q.C.: Okay. But part

1 of that show talked about him being arrested?

2 MR. DOUCET: Correct.

3 MR. WOLSON, Q.C.: And I'm
4 assuming that after his arrest, you had little
5 involvement with him?

6 MR. DOUCET: Well, as I said
7 before, I had very little from 1995 on ---

8 MR. WOLSON, Q.C.: Okay.

9 MR. DOUCET: --- except the odd
10 phone call that I would get from him, which were
11 not business related. They were just casual calls
12 to talk about whatever.

13 MR. WOLSON, Q.C.: Okay.

14 MR. DOUCET: And -- I'm sorry; I'm
15 now forgetting what the exact question was.

16 MR. WOLSON, Q.C.: I asked you if
17 you had much contact with him after his arrest?

18 MR. DOUCET: Well, I didn't have
19 any more or less after his arrest than I had had
20 from 19 -- the fall of -- December of 1994.

21 MR. WOLSON, Q.C.: I want to take
22 you to -- because I'm aware from the materials
23 you've provided us that you started to make some
24 notes regarding your involvement with Mr.
25 Schreiber, and I refer you to Tab 44 which is a

1 handwritten note.

2 MR. HOUSTON: Yes, we have it in
3 front of us.

4 MR. WOLSON, Q.C.: And that's a
5 note dated Thursday, October 28th, '99.

6 MR. DOUCET: I see that.

7 MR. WOLSON, Q.C.: And it
8 indicates having watched last night The Fifth
9 Estate, you decided to write down your
10 recollection of the events that took place on
11 December 8th, '94?

12 MR. DOUCET: Correct.

13 MR. WOLSON, Q.C.: And did you do
14 that on the advice of someone?

15 MR. DOUCET: No, I did it on my
16 own feeling that trouble was coming down the pipe
17 here and The Fifth Estate was hell bound to carry
18 on their shenanigans and that at some point-in-
19 time, if not by that time, damage could come and
20 was coming to Mr. Mulroney.

21 MR. WOLSON, Q.C.: So what you
22 decided to do was to write down matters obviously
23 when they were fresher in your mind and you wrote
24 down matters as accurate as you could?

25 MR. DOUCET: Absolutely.

1 MR. WOLSON, Q.C.: And ---

2 MR. DOUCET: I wanted to be sure

3 ---

4 MR. WOLSON, Q.C.: Yes.

5 MR. DOUCET: --- that what I had
6 seen or heard in the press or in The Fifth Estate,
7 if were to come back in time to be represented or
8 re-proffered, that I would have a point of
9 reference in my minds eye as to what I remembered
10 from the event in New York, which I attended.

11 MR. WOLSON, Q.C.: So what you did
12 is you prepared a memory aid?

13 MR. DOUCET: Exactly. Precisely
14 that.

15 MR. WOLSON, Q.C.: And I'm
16 assuming you wrote this on the day that it says,
17 October 28th, '99?

18 MR. DOUCET: I ---

19 MR. WOLSON, Q.C.: Or close to
20 that date at least.

21 MR. DOUCET: I would have -- yeah,
22 I think that's right.

23 MR. WOLSON, Q.C.: Because it ---

24 MR. DOUCET: Certainly close to
25 that.

1 MR. WOLSON, Q.C.: Because it says
2 "Having watched last night"?

3 MR. DOUCET: Yeah.

4 MR. WOLSON, Q.C.: The 27th.

5 MR. DOUCET: Yeah.

6 MR. WOLSON, Q.C.: And you have
7 the date the 28th.

8 MR. DOUCET: But I do remember --
9 Robert, help me with this -- you pointing out, I
10 think, that I may have had something wrong here.
11 Have I got it right?

12 MR. WOLSON, Q.C.: I would rather
13 that you ---

14 MR. HOUSTON: Mr. Wolson is
15 interested in your memory, as we talked about
16 before.

17 MR. DOUCET: Sorry.

18 MR. WOLSON, Q.C.: Let me ask you
19 this.

20 MR. HOUSTON: Do the best you can.
21 That's all.

22 MR. WOLSON, Q.C.: Let me ask you
23 this, and this is not an attempt to ---

24 MR. DOUCET: Sure.

25 MR. WOLSON, Q.C.: --- have you

1 say something that isn't accurate.

2 MR. DOUCET: Sure.

3 MR. WOLSON, Q.C.: Would I be
4 correct in stating that within a few days of
5 watching The Fifth Estate you recorded your notes
6 as a memory aid to you for the future?

7 MR. DOUCET: Absolutely.

8 MR. WOLSON, Q.C.: Is that a fair
9 statement?

10 MR. DOUCET: That is a fair,
11 accurate statement.

12 MR. WOLSON, Q.C.: Okay. The
13 document speaks for itself.

14 MR. DOUCET: The document speaks
15 for ---

16 MR. WOLSON, Q.C.: So I don't need
17 to review that except one question that I want to
18 ask you.

19 MR. DOUCET: M'hm. Yes.

20 MR. WOLSON, Q.C.: Document 45,
21 which is the next page, is a typed version of 44?

22 MR. DOUCET: Correct. Yeah, I
23 think my wife typed that.

24 MR. WOLSON, Q.C.: Okay. And it
25 was simply a reproduction of what you had written

1 but in an absolutely legible form? Not that
2 there's anything wrong with your handwriting but -
3 - it's much better than mine -- but what you've
4 done is you've got a typed version of it.

5 MR. DOUCET: Exactly right.

6 MR. WOLSON, Q.C.: And whenever
7 that was done it was simply a total copying of
8 your handwritten notes?

9 MR. DOUCET: I need to tell you
10 ---

11 MR. WOLSON, Q.C.: Yes, please.

12 MR. DOUCET: --- that to the best
13 of my recollection this was done -- the typing was
14 done much after ---

15 MR. WOLSON, Q.C.: Yes.

16 MR. DOUCET: --- I wrote this.

17 MR. WOLSON, Q.C.: But ---

18 MR. DOUCET: I wrote this, put it
19 in a file ---

20 MR. WOLSON, Q.C.: Yes.

21 MR. DOUCET: --- and hoped that I
22 would never have to use it.

23 MR. WOLSON, Q.C.: All right.

24 MR. DOUCET: When it became
25 apparent to me that things were getting revved up

1 again ---

2 MR. WOLSON, Q.C.: Yes.

3 MR. DOUCET: --- I asked my wife
4 to type this and everything else that I had done
5 longhand.

6 MR. WOLSON, Q.C.: Yes. So the
7 only point I make is you didn't, in the typing,
8 editorialize and add more or subtract; it's simply
9 a copy of the handwritten note?

10 MR. DOUCET: Dear wife, please
11 type for me what I have here.

12 MR. WOLSON, Q.C.: Got it.

13 Then I want to go to Exhibit --
14 and what we'll do is we'll file -- if you have a
15 copy of that, Peter, we'll file the handwritten
16 and the typed version as the next exhibit, A and
17 B, A being the handwritten ---

18 MR. BATTISTA: Eighteen (18) I
19 believe we're at.

20 THE COURT REPORTER: Eighteen (18)
21 A and B.

22 --- EXHIBIT NO./PIÈCE NO. 18A:

23 Tab 44 - Handwritten notes
24 dated Thursday, October 28,
25 1999

1 --- EXHIBIT NO./PIÈCE NO. 18B:

2 Typed version of Tab 44 -
3 Handwritten notes dated
4 Thursday, October 28, 1999

5 MR. WOLSON, Q.C.: Thank you,
6 Peter.

7 Then I want to ask you about 46,
8 which is a handwritten December 26th, 1999
9 document.

10 MR. DOUCET: I have that.

11 MR. WOLSON, Q.C.: And what you
12 did is -- this is in relation I take it to a
13 discussion you had with Mr. Schreiber?

14 MR. DOUCET: Mr. Schreiber and his
15 wife visited with my wife and myself and our son
16 on that date.

17 MR. WOLSON, Q.C.: Let me just
18 stop you there for a second. I should have asked
19 you this before.

20 Did you make these notes because,
21 for instance, Mr. Mulronev asked you to make them?

22 MR. DOUCET: No.

23 MR. WOLSON, Q.C.: So this is your
24 own doing just being attentive to matters and
25 being cautious?

1 MR. DOUCET: That's a good way to
2 put it.

3 MR. WOLSON, Q.C.: Okay. You
4 accept that?

5 MR. DOUCET: I accept that.

6 MR. WOLSON, Q.C.: Okay.

7 So with that added, you were
8 explaining to me how this note, which is in
9 handwritten form, four pages -- five pages -- how
10 this came about.

11 MR. DOUCET: When they -- oh, yes,
12 you want a context as to how the meeting occurred?

13 MR. WOLSON, Q.C.: Please.

14 MR. DOUCET: My recollection is
15 that Mr. McKay -- Elmer ---

16 MR. WOLSON, Q.C.: Yes.

17 MR. DOUCET: --- called me during
18 the Christmas season -- I'm not sure exactly when
19 -- and said "You know, these are tough days for
20 Mr. Schreiber and he's going to be in Ottawa and
21 he's going to be -- he and his wife -- and they're
22 going to be quite lonely and could you find it in
23 your heart..." -- or words to that effect --
24 "...to have them over or otherwise visit with
25 them?" And I said "Sure". And that's what led to

1 this meeting being arranged.

2 MR. WOLSON, Q.C.: Okay.

3 MR. DOUCET: And so I called him,
4 this was Boxing Day, the 26th, in the afternoon,
5 and they came over and stayed, according to this
6 document, for three hours.

7 And he and I went in the den, my
8 wife and Mrs. Schreiber stayed in the living room,
9 and we had a conversation, the elements of which
10 are synthesized here.

11 MR. WOLSON, Q.C.: So you didn't
12 make notes at the time ---

13 MR. DOUCET: No.

14 MR. WOLSON, Q.C.: --- but what
15 you did is when he left ---

16 MR. DOUCET: Immediately when he
17 left.

18 MR. WOLSON, Q.C.: Immediately
19 when he left you put down in writing, as best you
20 could recall, the gist of what was said?

21 MR. DOUCET: Correct. Exactly.

22 MR. WOLSON, Q.C.: And this
23 represents these five pages which if you look at
24 the next tab are reduced to one page of typed
25 notes.

1 MR. DOUCET: Correct.

2 MR. WOLSON, Q.C.: And, again,
3 it's the same; these were done by you, the
4 handwritten, the typewritten was done by your
5 wife.

6 MR. DOUCET: Correct.

7 MR. WOLSON, Q.C.: And this, as
8 best you recall, handwritten and typewritten, is
9 an accurate reflection of what occurred?

10 MR. DOUCET: I don't think I've
11 ever done the comparison but I presume since she
12 was typing what I had written that it's -- they're
13 accurate.

14 MR. WOLSON, Q.C.: And I don't ask
15 you that question because I've compared them and
16 found them to be inaccurate because I haven't.

17 MR. DOUCET: Oh, okay.

18 MR. WOLSON, Q.C.: I just want to
19 understand the process.

20 MR. DOUCET: No, I'm sure my wife
21 would have been very careful to type exactly what
22 ---

23 MR. WOLSON, Q.C.: In fact, I'm
24 not concerned if a word is missing or there's not
25 an "S" when there should be an "S". That's not

1 the issue of my asking you this.

2 MR. DOUCET: Oh, okay.

3 MR. WOLSON, Q.C.: And these notes
4 you can say would be fairly accurate because you
5 wrote them right after Mr. Schreiber left?

6 MR. DOUCET: They would be totally
7 accurate.

8 MR. WOLSON, Q.C.: Okay. And the
9 next exhibit, A and B; A being the handwritten, B
10 the typewritten.

11 THE COURT REPORTER: Nineteen (19)
12 A and B.

13 --- EXHIBIT NO./PIÈCE NO. 19A:

14 Tab 46 - Handwritten notes
15 dated December 26, 1999

16 --- EXHIBIT NO./PIÈCE NO. 19B:

17 Typed version of Tab 46 -
18 Handwritten notes dated
19 December 26, 1999

20 MR. WOLSON, Q.C.: Then I'd like
21 to go to the next document, 48, which is January
22 the 11th -- I think that's 2000, is it?

23 MR. DOUCET: Yeah, correct.

24 MR. WOLSON, Q.C.: And it's 4:30
25 in the forenoon at the Royal York Hotel in

1 Toronto; K.S., being Karlheinz Schreiber, and JAD,
2 your initials.

3 MR. DOUCET: Four-thirty (4:30) in
4 the afternoon.

5 MR. WOLSON, Q.C.: Yes, in the
6 afternoon.

7 MR. DOUCET: Yes.

8 MR. WOLSON, Q.C.: And that's in
9 Room 5271. Who was staying there?

10 MR. DOUCET: I was.

11 MR. WOLSON, Q.C.: Okay. So you
12 were visiting Toronto?

13 MR. DOUCET: I was, yeah.

14 MR. WOLSON, Q.C.: And you had
15 occasion to meet with Mr. Schreiber at that time?

16 MR. DOUCET: Correct.

17 MR. WOLSON, Q.C.: And you
18 followed the same process. You reduced to
19 writing, after he left, the conversations that you
20 had with him during the time you spent with him at
21 the hotel?

22 MR. DOUCET: Exactly.

23 MR. WOLSON, Q.C.: And again, the
24 next tab number is a typewritten version of the
25 same?

1 MR. DOUCET: That is correct.

2 MR. WOLSON, Q.C.: And I don't
3 need to ask you the process. It's the same
4 process. You wrote them right after Schreiber
5 left?

6 MR. DOUCET: Correct.

7 MR. WOLSON, Q.C.: And at some
8 later time your wife typed them?

9 MR. DOUCET: Correct.

10 MR. WOLSON, Q.C.: All right.

11 MR. DOUCET: I should comment, and
12 you will see it if -- as you peruse them. In some
13 cases I write them almost on an exchange basis.

14 MR. WOLSON, Q.C.: Yes, I've seen
15 that.

16 MR. DOUCET: Yeah. In the first
17 document it's more of a narrative.

18 MR. WOLSON, Q.C.: I've seen that.
19 Yes, I understand.

20 MR. DOUCET: Okay, so -- but I
21 just wanted to make that ---

22 MR. WOLSON, Q.C.: And I say the
23 document speaks for itself.

24 MR. DOUCET: Exactly.

25 MR. WOLSON, Q.C.: There's no need

1 at this stage to go over the documents with you.

2 MR. DOUCET: Okay.

3 MR. WOLSON, Q.C.: They are again
4 memory aids?

5 MR. DOUCET: Correct.

6 MR. WOLSON, Q.C.: Okay. And did
7 we file those, Mr. Battista? That's exhibit A and
8 B, A being the handwritten.

9 THE COURT REPORTER: Exhibit 20A and
10 B.

11 --- EXHIBIT NO./PIÈCE NO. 20A:

12 Tab 48 - Handwritten notes
13 dated January 11, 2000

14 --- EXHIBIT NO./PIÈCE NO. 20B:

15 Typed version of Tab 48 -
16 Handwritten notes dated
17 January 11, 2000

18 MR. WOLSON, Q.C.: You wouldn't
19 have added to any of these notes, I take it, after
20 you concluded writing them?

21 MR. DOUCET: I think that when the
22 -- I think that the answer is I did, and I'll have
23 to find it. It's of no substance, but it's a word
24 that I corrected on re-reading, where it was
25 obvious to me that I had either missed a word -- I

1 meant to point that out in one of these. Sorry
2 for delaying things.

3 MR. WOLSON, Q.C.: Not at all.
4 Just take your time.

5 MR. DOUCET: When I was preparing
6 for this I spotted something and it brought back
7 to mind that when I had reviewed these notes in
8 the months prior, I had made one non-consequential
9 correction. Oh, here it is. On page 3 of ---

10 MR. HOUSTON: Exhibit 19A.

11 MR. DOUCET: --- 19A.

12 MR. HOUSTON: It's the notes of
13 ---

14 MR. WOLSON, Q.C.: What tab is
15 that?

16 MR. HOUSTON: That's Tab 46.

17 MR. BATTISTA: Forty-five (45), I
18 believe.

19 MR. HOUSTON: It's December -- no,
20 I think it's 46. But in any event, it's the
21 handwritten notes of December 26, 1999.

22 MR. WOLSON, Q.C.: Got it.

23 MR. HOUSTON: Page 3.

24 MR. WOLSON, Q.C.: Yes.

25 MR. DOUCET: And you'll see a

1 little arrow with the word "taken" written in.
2 That was done years after the letter was written.

3 MR. WOLSON, Q.C.: So you can't
4 take the schoolteacher out of you. You saw
5 something that didn't quite make sense and you add
6 a word to ---

7 MR. DOUCET: Exactly.

8 MR. WOLSON, Q.C.: --- have it
9 make sense.

10 MR. DOUCET: Yeah, the sentence
11 reads, "If they wish to use that evidence to
12 extradite me, that means they wish to have those
13 accounts seriously."

14 MR. WOLSON, Q.C.: And you put
15 "taken" in there.

16 MR. DOUCET: Exactly.

17 MR. WOLSON, Q.C.: All right.

18 Other than that, I'm assuming that
19 everything that we have here was accurately
20 written at the time and no subsequent corrections
21 that you can recall?

22 MR. DOUCET: Absolutely.

23 MR. WOLSON, Q.C.: All right.

24 And then I want to go to the
25 August 27th summary of the account, and that would

1 be -- I think it's -- that would be 51.

2 MR. DOUCET: Yes.

3 MR. WOLSON, Q.C.: So 50 would be
4 the handwritten and 51 ---

5 MR. HOUSTON: No, I think in this
6 instance, Mr. Wolson, there is no handwritten
7 note. There's just the typed version.

8 MR. WOLSON, Q.C.: That is so.
9 And again, you wrote this on the 27th of August
10 2000?

11 MR. DOUCET: Correct.

12 MR. WOLSON, Q.C.: And did you do
13 this yourself, this typed piece?

14 MR. DOUCET: No. No, my wife did
15 it.

16 MR. WOLSON, Q.C.: So you wrote a
17 handwritten and she typed it?

18 MR. DOUCET: Correct.

19 MR. WOLSON, Q.C.: But you can't
20 find the handwritten now?

21 MR. DOUCET: I don't -- I think
22 that I wrote it, she typed it, and I would have
23 shredded the original.

24 MR. WOLSON, Q.C.: Okay. And what
25 you've done here is just go over the summary of

1 the events ---

2 MR. DOUCET: Yeah.

3 MR. WOLSON, Q.C.: --- when they
4 were in your mind as of August 27th of 2000?

5 MR. DOUCET: Yeah. I saw no
6 purpose in keeping my scribbled ---

7 MR. WOLSON, Q.C.: Yes.

8 MR. DOUCET: Because there was
9 nothing new that wasn't originally here.

10 MR. WOLSON, Q.C.: Okay.

11 MR. DOUCET: Now, I ---

12 MR. HOUSTON: By "here" you're
13 referring to the earlier documents?

14 MR. DOUCET: The earlier
15 documents.

16 MR. WOLSON, Q.C.: Yes, I have
17 that.

18 MR. BATTISTA: So we're going to file
19 Exhibit 21?

20 MR. DOUCET: Now, I have a matter
21 I want to raise though ---

22 MR. WOLSON, Q.C.: Sure.

23 MR. DOUCET: --- in the summary.

24 MR. WOLSON, Q.C.: Yes.

25 MR. DOUCET: On the -- I guess the

1 pages are not numbered, but it's on the second
2 page, last paragraph, item 9.

3 MR. WOLSON, Q.C.: Yes.

4 MR. DOUCET: The first sentence
5 off the bottom, "Further he (K.S.) asked me if
6 B.M. would be interested in renewing" -- I do
7 believe, and I've underlined it in my own notes
8 here, that that should have been "in reviewing"
9 rather than "renewing".

10 MR. WOLSON, Q.C.: Okay.

11 MR. DOUCET: But I didn't write it
12 in, but it strikes me that that would make more
13 logical sense.

14 MR. WOLSON, Q.C.: You can't say
15 that for sure but in your reconstruction of this
16 document, the summary document, that makes sense
17 to you? Or is there something more to that?

18 MR. DOUCET: No, because the word
19 "renewing" would imply that there was something
20 that was there before.

21 MR. WOLSON, Q.C.: Yes.

22 MR. DOUCET: And to the best of my
23 knowledge there wasn't.

24 MR. WOLSON, Q.C.: Okay.

25 MR. DOUCET: And therefore, his

1 interest, as he was stating it to me, would be
2 reviewing potential terms for a new contract.

3 MR. WOLSON, Q.C.: Okay. Have you
4 ever shared any of these documents that you've
5 written as memory aids -- and that should be the
6 next exhibit, by the way; the August document, the
7 one you've just referred to.

8 THE COURT REPORTER: Exhibit 21.

9 MR. WOLSON, Q.C.: Exhibit 21.

10 --- EXHIBIT NO./PIÈCE NO. 21:

11 Summary dated August 27, 2000

12 MR. WOLSON, Q.C.: Have you ever
13 shared any of these documents with Mr. Mulroney?

14 MR. HOUSTON: I can answer that,
15 Mr. Wolson. They were shared with Mr. Mulroney's
16 counsel ---

17 MR. WOLSON, Q.C.: All right.

18 MR. HOUSTON: --- in discussions
19 with Mr. Pratte and co-counsel for Mr. Mulroney.
20 But Mr. Doucet can correct me otherwise, but to
21 the best of my knowledge, they weren't shared with
22 any other person, including him, up to that point
23 in time.

24 MR. WOLSON, Q.C.: Okay.

25 Is that an accurate statement?

1 MR. DOUCET: That is correct, yes.

2 MR. WOLSON, Q.C.: Can I ask you
3 this question: when you testified before the
4 Ethics Committee these documents weren't filed?

5 MR. DOUCET: No.

6 MR. WOLSON, Q.C.: Is there a
7 reason that -- or did you refer to them in your
8 testimony and your preparation for the testimony?

9 MR. DOUCET: Yes.

10 MR. WOLSON, Q.C.: But you never
11 saw fit to have them filed, or can you give me a
12 slight background there?

13 MR. HOUSTON: I think I'll jump in
14 again. It was a consequence of discussion with
15 me, sir, that a decision was made in consultation
16 with counsel.

17 MR. WOLSON, Q.C.: Okay. Then I
18 won't -- then it's none of my business if it's
19 solicitor-client. I won't pursue that.

20 MR. HOUSTON: In any event, they
21 weren't referred to during the testimony before
22 the Ethics Committee.

23 MR. WOLSON, Q.C.: And weren't
24 filed?

25 MR. HOUSTON: No, sir.

1 MR. WOLSON, Q.C.: Subsequently?

2 MR. HOUSTON: No, sir.

3 MR. WOLSON, Q.C.: Okay. Thank
4 you. I shouldn't be asking you any questions
5 about conversations with your client. Mr. Houston
6 knows that and I will never do that.

7 MR. DOUCET: Did you mark that?

8 MR. HOUSTON: Yeah, that one I
9 believe is 21.

10 MR. WOLSON, Q.C.: Twenty-one
11 (21), yes.

12 THE COURT REPORTER: Exhibit 21, yes.

13 MR. HOUSTON: All right. Okay.
14 Thank you.

15 MR. WOLSON, Q.C.: Did you use
16 those documents in preparing your testimony for
17 the Ethics Committee?

18 When I say use, I mean did you
19 refer to them to refresh your memory?

20 MR. DOUCET: I personally referred
21 to them, yes.

22 MR. WOLSON, Q.C.: Okay.

23 Then I'd like to take you to your
24 next meeting with Mr. Schreiber after the Royal
25 York meeting.

1 MR. DOUCET: Yes.

2 MR. WOLSON, Q.C.: You met with
3 him at the Royal York and we've discussed that.

4 MR. DOUCET: Yes.

5 MR. WOLSON, Q.C.: And you then
6 met with him again?

7 MR. DOUCET: Correct.

8 MR. WOLSON, Q.C.: And I think
9 it's Tab 50.

10 I want to ask you about the
11 mandate document. Tell me about the background of
12 that, how it came about and so forth.

13 MR. DOUCET: Yes. Well, in some
14 of the meetings that we have just finished
15 referring to ---

16 MR. WOLSON, Q.C.: Yes.

17 MR. DOUCET: --- I -- and I think
18 more particularly the meeting of the Royal York --
19 -

20 MR. WOLSON, Q.C.: Yes.

21 MR. DOUCET: I raised with him,
22 but I think it also came up in the meeting at my
23 home, whether or not there had ever been anything
24 written as to the mandate that Mr. Mulroney was
25 operating under and ---

1 MR. WOLSON, Q.C.: Did you do that
2 on your own accord?

3 MR. DOUCET: I had discussed it
4 with Mr. Mulroney.

5 MR. WOLSON, Q.C.: Yes.

6 MR. DOUCET: I had asked him if in
7 fact there had been such a document. He had told
8 me "no", and I told him that it was my advice as a
9 friend that there ought to be something. Even if
10 there wasn't at the time, it ought to be somehow
11 memorialized ---

12 MR. WOLSON, Q.C.: Yes.

13 MR. DOUCET: --- so that there
14 would be something that the parties would agree to
15 that could be put in storage, and if ever needed,
16 it would be there.

17 MR. WOLSON, Q.C.: Yes.

18 MR. DOUCET: And Mr. Mulroney
19 thought that was a good idea.

20 MR. WOLSON, Q.C.: Yes.

21 MR. DOUCET: I raised it with Mr.
22 Schreiber at one or two of those previous
23 meetings.

24 MR. WOLSON, Q.C.: Either the one
25 at your place, your house, ---

1 MR. DOUCET: Or the one ---

2 MR. WOLSON, Q.C.: --- or the one
3 at the Royal York?

4 MR. DOUCET: Correct.

5 MR. WOLSON, Q.C.: Yes.

6 MR. DOUCET: And I indicated to
7 him that -- and he thought it was a good idea too.

8 MR. WOLSON, Q.C.: Yes.

9 MR. DOUCET: And I indicated to
10 him at the time what my sense of the mandate was,
11 picking up from particularly the meeting in New
12 York, that it was as the mandate here indicates to
13 provide a watching brief, to develop economic
14 opportunities for car companies being Schreiber's
15 companies, including travel abroad, et cetera, as
16 you have before you.

17 And that's how this document came
18 to be prepared.

19 MR. WOLSON, Q.C.: Did you sense
20 that trouble was brewing and that that's why this
21 document should be memorialized?

22 MR. DOUCET: Correct, yeah. I
23 sensed that there was a lot of ambiguity about
24 what the assignment was, a lot of innuendo and as
25 far as some media were concerned, they appeared to

1 be on a fishing trip that would lead to no good.

2 MR. WOLSON, Q.C.: Yes.

3 MR. DOUCET: And I thought that a
4 sensible thing to do on the part of, in one case,
5 my lifelong friend and, in another case, a valued
6 client, that I should attempt to help them
7 memorialize what in fact had transpired.

8 MR. WOLSON, Q.C.: Yes.

9 MR. DOUCET: I prepared this
10 document. I left the blanks where I needed help
11 because I didn't have the answers, and I met with
12 Mr. Schreiber on that day in my boardroom, my
13 office, and I asked him if he would help me fill
14 the blanks.

15 First, I asked him if this mandate
16 was accurate and he confirmed that it was. Then I
17 asked him who were the mandating companies and he
18 rattled off German names, and wanting to be
19 certain of the spelling I handed him over the
20 virgin document and I said, "Would you mind
21 writing them down?" And he did that in
22 Bayerische, Bitumen Chemie. I couldn't read his
23 writing on the Chemie. I had him rewrite it
24 bigger.

25 MR. WOLSON, Q.C.: Yes.

1 MR. DOUCET: And he also wrote
2 Koutering.

3 MR. WOLSON, Q.C.: Yes.

4 MR. DOUCET: And he wrote Bitucan
5 Calgary.

6 MR. WOLSON, Q.C.: And what were
7 these companies to represent?

8 MR. DOUCET: The mandating
9 companies.

10 MR. WOLSON, Q.C.: At the --
11 dating back in time?

12 MR. DOUCET: Dating back in time.

13 MR. WOLSON, Q.C.: To 1993?

14 MR. DOUCET: To 1993, correct.

15 MR. WOLSON, Q.C.: Yes. All
16 right.

17 MR. DOUCET: And then he made the
18 statement that ---

19 MR. WOLSON, Q.C.: So the
20 companies are in his handwriting?

21 MR. DOUCET: The companies are in
22 his handwriting.

23 MR. WOLSON, Q.C.: Yes.

24 MR. DOUCET: And the rest is my
25 handwriting.

1 MR. WOLSON, Q.C.: Yes.

2 MR. DOUCET: What's circled above
3 here, Bayerische or whatever other companies I
4 named ---

5 MR. WOLSON, Q.C.: Yes.

6 MR. DOUCET: --- is a quote from
7 him and A, B and C were intended to represent A, B
8 and C that you have down there.

9 MR. WOLSON, Q.C.: Yes.

10 MR. DOUCET: At the conclusion of
11 the meeting -- I'm sorry, back to the mandate. I
12 asked him what the fee was to cover services and
13 expense and he told me \$250,000.

14 MR. WOLSON, Q.C.: Yes.

15 MR. DOUCET: And I indicated it
16 there. Then at the end of the meeting, I wrote
17 down in terse summary what had transpired at the
18 meeting and you have my notes there.

19 MR. WOLSON, Q.C.: So at the
20 bottom right-hand corner: 1) the mandate is
21 accurate; 2) the two companies were Bayerische and
22 Bitucan Calgary and any other companies that may
23 be appropriate; 3) the amount paid over the three
24 years was 250,000?

25 MR. DOUCET: Correct.

1 MR. WOLSON, Q.C.: That's all in
2 your handwriting?

3 MR. DOUCET: That's in my
4 handwriting and the three years in question, again
5 in my handwriting, are the three years identified
6 at the top of the document.

7 MR. WOLSON, Q.C.: Yes. And his
8 handwriting would be the companies A, B and C?

9 MR. DOUCET: Correct. Correct.

10 MR. WOLSON, Q.C.: And you've got
11 FDCI written down there and you've got BM written
12 down there?

13 MR. DOUCET: Yes.

14 MR. WOLSON, Q.C.: And you've got
15 -- is that supposed to be KH beside the number 3
16 on the right?

17 MR. DOUCET: I don't know what is
18 beside number 3 on the right, there's some
19 scribbling there.

20 MR. WOLSON, Q.C.: Okay. Did you
21 provide a copy of this to Mr. Mulroney?

22 MR. DOUCET: Not at the time.

23 MR. WOLSON, Q.C.: Have you ever
24 provided a copy to him?

25 MR. DOUCET: I provided him a

1 copy. I'm not sure if it was through the lawyers
2 or directly, as we came on to the Ethics Committee
3 ---

4 MR. WOLSON, Q.C.: Okay. Let me
5 ask you -- at the Ethics hearing?

6 MR. DOUCET: Ethics hearing, yeah.

7 MR. WOLSON, Q.C.: Let me ask you
8 this. This document is dated at the top Feb. 4,
9 2000.

10 MR. DOUCET: Correct.

11 MR. WOLSON, Q.C.: That's your
12 handwriting?

13 MR. DOUCET: That's my
14 handwriting.

15 MR. WOLSON, Q.C.: And this
16 document was intended therefore to memorialize the
17 agreement as between Mr. Mulroney and Mr.
18 Schreiber?

19 MR. DOUCET: Correct.

20 MR. WOLSON, Q.C.: Did Mr.
21 Mulroney ever agree with this document? Did you
22 ask him to assess its accuracy?

23 MR. DOUCET: I asked him to assess
24 the accuracy at the time that he saw the document,
25 prior to which I had read it to him.

1 MR. WOLSON, Q.C.: So you read it
2 to him when?

3 MR. DOUCET: Well, before I met
4 with Mr. Schreiber.

5 MR. WOLSON, Q.C.: But at that
6 time, it was in blank?

7 MR. DOUCET: It was in blank,
8 yeah.

9 MR. WOLSON, Q.C.: So did you --
10 after speaking to Schreiber, did you tell Mr.
11 Mulroney what the completed document contained and
12 ask him to ensure that it was accurate from his
13 perspective?

14 MR. DOUCET: Well, I'm not sure
15 about asking him if it was accurate from his -- I
16 told him what had transpired at the meeting.

17 MR. WOLSON, Q.C.: Yes.

18 MR. DOUCET: That Mr. Schreiber
19 had given me to understand that these were the
20 companies that were the mandating companies and I
21 told him that the amount of money to be paid was
22 \$250,000. I didn't ask him if it was accurate or
23 not.

24 MR. WOLSON, Q.C.: Okay.

25 MR. DOUCET: I just reported

1 faithfully on what Mr. Schreiber had told me.

2 MR. WOLSON, Q.C.: And he made no
3 changes, Mr. Mulroney?

4 MR. DOUCET: He made no
5 suggestions. He just -- he said, "That's fine.
6 That's okay."

7 MR. WOLSON, Q.C.: Okay. And tell
8 me when that was approximately in relation to
9 February 4th, 2000?

10 MR. DOUCET: I would guess that it
11 was probably in the days that followed.

12 MR. WOLSON, Q.C.: Okay, fair
13 enough. So sometime in February of 2000?

14 MR. DOUCET: Correct, yeah.

15 MR. WOLSON, Q.C.: Okay.

16 Next exhibit, please?

17 THE COURT REPORTER: Exhibit 22.

18 --- EXHIBIT NO./PIÈCE NO. 22:

19 Mandate document prepared by
20 Mr. Doucet for Mr. Mulroney
21 and Mr. Schreiber dated
22 February 4, 2000

23 MR. DOUCET: I have another
24 comment to make about this, if you would like me
25 to.

1 MR. WOLSON, Q.C.: Oh, please,
2 absolutely.

3 MR. DOUCET: This mandate
4 memorialization stands on its own face. That is
5 to say that there was never any intention to get
6 signatures on this. This was not -- at least it
7 was not my pursuit. My pursuit was simply to
8 memorialize what had happened in history,
9 accurately.

10 So it wasn't a question of a legal
11 document where accepted by and accepted by. This
12 is my best attempt to memorialize what the two of
13 them in their own ways had told me what the
14 consultancy was about.

15 MR. WOLSON, Q.C.: Good. Thank
16 you.

17 Is there anything else you'd like
18 to say about that?

19 MR. DOUCET: No.

20 MR. WOLSON, Q.C.: I want to move
21 to a meeting that is alleged to have taken place
22 in Zurich in 1998. Did you have any role in
23 setting that meeting up? And that meeting is
24 alleged to have occurred between Mr. Schreiber and
25 Mr. Mulroney.

1 MR. DOUCET: Correct.

2 MR. WOLSON, Q.C.: You're aware of
3 that now?

4 MR. DOUCET: I'm aware of it now.

5 MR. WOLSON, Q.C.: Yes.

6 MR. DOUCET: I was not aware until
7 it became in the public domain.

8 MR. WOLSON, Q.C.: Okay.

9 MR. DOUCET: Which is tantamount I
10 guess to telling you that I have no recollection
11 at all of setting up such a meeting.

12 MR. WOLSON, Q.C.: Okay. Did you
13 at any time talk to Mr. Schreiber about that
14 meeting after it occurred?

15 MR. DOUCET: No.

16 MR. WOLSON, Q.C.: Obviously if
17 you didn't know it occurred you wouldn't have
18 talked to him beforehand about it.

19 MR. DOUCET: Or after.

20 MR. WOLSON, Q.C.: Okay. What
21 about Mr. Mulroney?

22 MR. DOUCET: No.

23 MR. WOLSON, Q.C.: Did you talk to
24 him after the -- you became aware of this meeting
25 and asked him about it?

1 MR. DOUCET: Oh, in the case of
2 Mr. Mulroney after I became aware of it, which is
3 relatively recent, you know, I mentioned to him on
4 the phone on one occasion, you know, the
5 allegation that I had something to do with setting
6 up that meeting is false; I just have no memory of
7 that.

8 MR. WOLSON, Q.C.: So other than
9 that, that's what you had mentioned to him?

10 MR. DOUCET: I'm sorry?

11 MR. WOLSON, Q.C.: Other than what
12 you've just said, you indicated to him that you
13 have no recall of setting up that meeting.

14 MR. DOUCET: Yeah, I did say that
15 to him.

16 MR. WOLSON, Q.C.: Okay. Did he
17 tell you ---

18 MR. DOUCET: Other than that.

19 MR. WOLSON, Q.C.: --- about the
20 meeting at all?

21 MR. DOUCET: No.

22 MR. WOLSON, Q.C.: So the only way
23 you know about that meeting and whatever happened
24 at that meeting is what you've seen in the media?

25 MR. DOUCET: Correct, or heard at

1 the committee.

2 MR. WOLSON, Q.C.: The Ethics
3 Committee. All right.

4 I just have some selected
5 questions in no particular order that I hope to be
6 done. Lawyers' times are awful, Mr. Houston, as
7 you know.

8 MR. HOUSTON: We're doing the best
9 we can, Mr. Wolson.

10 MR. WOLSON, Q.C.: Thank you.

11 Do you know Lowell Murray?

12 MR. DOUCET: Yes.

13 MR. WOLSON, Q.C.: And do you have
14 a friendship with him?

15 MR. DOUCET: Yes, he's a St. FX
16 graduate. It is approaching a travesty to not be
17 friendly with all St. FX graduates if you were
18 from there.

19 MR. WOLSON, Q.C.: And you share
20 that friendship even today?

21 MR. DOUCET: To the best of my
22 knowledge, yeah.

23 MR. WOLSON, Q.C.: It's a hotbed
24 of people that have done very well for themselves
25 at that school.

1 MR. DOUCET: Thank you.

2 MR. WOLSON, Q.C.: I want to ask
3 you about Tab 15 for a second.

4 Tab 15, if you go to the second
5 document or the third document in, is a diary of
6 Mr. Schreiber and the diary indicates in the
7 margin on February the 8th, "30 Doucet"; on the
8 right-hand side halfway down, February the 8th in
9 the margin.

10 MR. DOUCET: I see it.

11 MR. WOLSON, Q.C.: Do you know
12 what that represents?

13 MR. DOUCET: This is February 8th
14 of what year?

15 MR. WOLSON, Q.C.: Nineteen
16 ninety-one (1991).

17 MR. DOUCET: I have no idea.

18 MR. WOLSON, Q.C.: And if you turn
19 the page, it indicates a document; looks like a
20 bank document with the words "rubric Fred".

21 MR. DOUCET: Yes.

22 MR. WOLSON, Q.C.: Do you know
23 whether Mr. Schreiber had a bank account with the
24 name of "rubric Fred" referring to you?

25 MR. DOUCET: I have no idea.

1 MR. WOLSON, Q.C.: Okay. You see
2 an amount of 30,000 Canadian ---

3 MR. DOUCET: M'hm.

4 MR. WOLSON, Q.C.: --- of that
5 account. Do you recall whether you were paid
6 30,000 by Mr. Schreiber as a retainer?

7 MR. DOUCET: It may have been a
8 payment on an ongoing retainer. I don't have any
9 precise recollection of that amount or the timing
10 of it.

11 MR. WOLSON, Q.C.: Let's file
12 these two as the next exhibit, A and B.

13 THE COURT REPORTER: Exhibit 23A
14 and B.

15 --- EXHIBIT NO./PIÈCE No. 23A:

16 Tab 15 - Diary page dated
17 February 18, 1991

18 --- EXHIBIT NO./PIÈCE No. 23B:

19 Bank document with the name
20 "RUBRIK FRED" in the amount
21 of \$30,000

22 MR. WOLSON, Q.C.: If we go to Tab
23 13, you see on the 18th of January 1991 at --
24 January the 18th, at 15:00 hours or number 15 it
25 says "telephone Fred".

1 MR. DOUCET: M'hm. I do see that.

2 MR. WOLSON, Q.C.: And over on the
3 19th in the margin, it says "FRA - Fred 30,000".
4 Do you know what that refers to?

5 MR. DOUCET: I see it. My answer
6 is the same as it was for your question before.

7 MR. WOLSON, Q.C.: Okay. I'm
8 going to file that document as the next exhibit.

9 THE COURT REPORTER: Exhibit 24.
10 --- EXHIBIT NO./PIÈCE No. 24:

11 Tab 13 - diary page dated
12 January 18, 1991

13 MR. WOLSON, Q.C.: If we can turn
14 to Tab 28 please, August 26th, 1993.

15 MR. HOUSTON: Yes, we have it.

16 MR. WOLSON, Q.C.: But we've
17 referred to that already.

18 MR. HOUSTON: It's already been
19 marked.

20 MR. WOLSON, Q.C.: Yes, we've
21 referred to that already, as we have the 27th.

22 Let's look at October 13 of that
23 year. I'm sorry to have ---

24 MR. HOUSTON: October 13th?

25 MR. WOLSON, Q.C.: Yes, please.

1 MR. DOUCET: Yes.

2 MR. WOLSON, Q.C.: Could I have
3 that, Peter, please?

4 On October 13th ---

5 MR. DOUCET: M'hm. Yes.

6 MR. WOLSON, Q.C.: --- 1989,
7 90,000. Do you see that, in the margin on the
8 left-hand side?

9 MR. DOUCET: Yes.

10 MR. WOLSON, Q.C.: That was an
11 amount that -- you had been paid a 90,000; you
12 agree with that?

13 MR. DOUCET: Yes. Well, I agree
14 that there's a face of a cheque ---

15 MR. WOLSON, Q.C.: Yes.

16 MR. DOUCET: --- and I presume
17 that.

18 MR. WOLSON, Q.C.: Okay. The
19 amounts in '91 and '92 indicating 30 and 88, do
20 those numbers mean anything to you?

21 MR. DOUCET: They do not.

22 MR. WOLSON, Q.C.: And the ---

23 MR. DOUCET: They do not. It
24 could have been, as I answered before to your
25 previous question, part of my ongoing retainership

1 payments. As to how the money flowed and when,
2 I'm uncertain.

3 MR. WOLSON, Q.C.: And then the
4 marking underneath which seems to indicate one and
5 then six zeros and then 208 below it and 792,000;
6 does that have any significance to you at all?

7 MR. DOUCET: Well, only to the
8 extent that I was never in the seven digits with
9 Mr. Schreiber.

10 MR. WOLSON, Q.C.: Okay.

11 MR. BATTISTA: So this is going to
12 be Exhibit 25.

13 --- EXHIBIT NO./PIÈCE No. 25:

14 Diary page dated October 13,
15 1993

16 MR. DOUCET: So what I am saying
17 is that these numbers 89, 90, 91, 92, if they
18 refer to me, would -- from what I can attempt to
19 reconstruct, would maybe make sense as to what I
20 was paid ---

21 MR. WOLSON, Q.C.: Yes.

22 MR. DOUCET: --- over that period,
23 but that the numbers below of ---

24 MR. HOUSTON: Of \$1,208,000.

25 MR. DOUCET: Yeah. It seemed to

1 me to be a subtraction -- I'm from Missouri on
2 what that means.

3 MR. WOLSON, Q.C.: Okay. That
4 means you don't know?

5 MR. DOUCET: I don't know.

6 MR. WOLSON, Q.C.: All right.

7 There may be some youngsters
8 reading these interviews. So I just want to put
9 it in the present terms.

10 MR. DOUCET: Yeah.

11 MR. WOLSON, Q.C.: Fred Doucet
12 Consulting International Inc. was federally
13 incorporated on the 28th of July '93 and lists J.
14 Alfred Doucet as director.

15 The nature of the corporation is?

16 MR. DOUCET: In 1993?

17 MR. WOLSON, Q.C.: That's what I'm
18 advised. Does that resonate with you at all?

19 MR. DOUCET: No. My recollection
20 is the following.

21 Education Consultants Atlantic
22 Limited was changed to FDCI Inc. in 1988. Then in
23 1993 FDCI Inc. was changed to Government Business
24 Consulting Inc. That was at the time that I was
25 in the process of selling my company. I may be

1 wrong on the timing here.

2 MR. HOUSTON: Go ahead and just
3 give what you can, Mr. Doucet.

4 MR. DOUCET: And when I sold
5 Government Business Consulting Inc. I re-energized
6 FDCI Consulting Inc. and that would have been in
7 1994-95.

8 MR. WOLSON, Q.C.: All right.

9 MR. DOUCET: Okay. Now, let me go
10 back on the -- when I incorporated Government
11 Business Consulting Inc. Probably that was in --
12 I think I said '93 and I think that's an error. I
13 think it was in late '89 or early '90.

14 MR. WOLSON, Q.C.: Okay.

15 MR. DOUCET: Okay? But I do
16 believe we have submitted a table.

17 MR. HOUSTON: Well, in any event,
18 Fred, the registration documents will tell us when
19 the companies were officially incorporated.

20 MR. DOUCET: Okay.

21 MR. WOLSON, Q.C.: Let me -- just
22 a few last questions and then if we can take five
23 minutes.

24 MR. HOUSTON: Right.

25 MR. WOLSON, Q.C.: And hopefully

1 we won't be much longer at all.

2 Did you ever visit Mr. Schreiber
3 in Switzerland or Germany?

4 MR. DOUCET: No.

5 MR. WOLSON, Q.C.: Other than the
6 time when he was at your home around Christmas
7 time of '99 -- was it?

8 MR. DOUCET: Ninety-nine ('99),
9 correct.

10 MR. WOLSON, Q.C.: Had he been at
11 your home for other reasons?

12 MR. DOUCET: No.

13 MR. WOLSON, Q.C.: Did you ever
14 travel to Europe to visit the Thyssen officials?

15 MR. DOUCET: I did not.

16 MR. WOLSON, Q.C.: And I think for
17 my purposes, if we can -- I know it's been a long
18 day and I thank you so much for it.

19 MR. DOUCET: You're very welcome.

20 MR. WOLSON, Q.C.: If we could
21 take just a few minutes. We'll leave you here.
22 I'm going to confer with my colleagues and if
23 there were a few other questions I would ask them
24 and then conclude.

25 MR. DOUCET: Okay. Thank you.

1 --- Upon recessing at 4:48 p.m./

2 L'audience est suspendue à 16h48

3 --- Upon resuming at 4:55 p.m./

4 L'audience est reprise à 16h55

5 MR. WOLSON, Q.C.: If we can go
6 back on the record.

7 I have three questions to ask you.

8 MR. DOUCET: Okay.

9 MR. WOLSON, Q.C.: The letter of -
10 - or the Understanding in Principle, which is the
11 document signed between Thyssen and the Government
12 in 1988, September 27th.

13 MR. DOUCET: Correct.

14 MR. WOLSON, Q.C.: You'll recall I
15 asked you about that.

16 MR. DOUCET: Yes.

17 MR. WOLSON, Q.C.: Do you know
18 whether you had lobbied for the signing of that
19 document? Any ministers or the Prime Minister or
20 anyone?

21 MR. DOUCET: I don't recall
22 lobbying the Prime Minister about it, and I think
23 the thing was quite advanced by the time I got
24 into the fray on that one.

25 MR. WOLSON, Q.C.: Advanced

1 because you were only out of government on the 16th
2 of August and ---

3 MR. DOUCET: Correct, yeah.

4 MR. WOLSON, Q.C.: Okay.

5 MR. DOUCET: But I may have spoken
6 with Lowell Murray. That's a possibility.

7 MR. WOLSON, Q.C.: About the UIP,
8 the Understanding in Principle?

9 MR. DOUCET: MOU I think they
10 called it, Memorandum of Understanding. But I
11 have no memory of speaking with any other
12 ministers about that.

13 MR. WOLSON, Q.C.: What do you
14 recall about Lowell Murray in that regard?

15 MR. DOUCET: I don't recall
16 specifically talking to him about the Memorandum.
17 I remember talking with him about the project,
18 okay, but as to the Memorandum, I don't recall.

19 MR. WOLSON, Q.C.: And the talking
20 with him would have been when, do you think?

21 MR. DOUCET: Well, it would have
22 been sometime in either August or September.

23 MR. WOLSON, Q.C.: Okay.

24 MR. DOUCET: And maybe continuing
25 after.

1 MR. WOLSON, Q.C.: Sometime after
2 August 16th.

3 MR. DOUCET: Yeah.

4 MR. WOLSON, Q.C.: And sometime
5 from that time on in the next number of weeks or
6 months?

7 MR. DOUCET: Yeah. The election
8 was in October, so I'm not sure if he was in
9 office himself, if he had a Cabinet portfolio
10 post-election. I don't -- but if he did I may
11 have -- and if he was still with ACOA, which is
12 the regional agency for Atlantic Canada, then I
13 may have spoken with him beyond that.

14 MR. WOLSON, Q.C.: Post-
15 government?

16 MR. DOUCET: Post, yeah.

17 MR. WOLSON, Q.C.: In terms of any
18 payments you received -- I may have asked you this
19 but it's been a long day. Do you recall receiving
20 any payment specifically in regard to the
21 Understanding in Principle or the Memorandum?

22 MR. DOUCET: No, I do not.

23 MR. WOLSON, Q.C.: Okay.

24 And the last question, I promise,
25 unless it gives rise to another question, is you

1 invoiced Bitucan, we saw on a previous exhibit,
2 for \$90,000?

3 MR. DOUCET: Yes.

4 MR. WOLSON, Q.C.: How did you
5 know to invoice Bitucan as opposed to Karlheinz
6 Schreiber or another one of his companies?

7 MR. DOUCET: Well, he would have
8 had to have told me who to invoice.

9 MR. WOLSON, Q.C.: All right.
10 And I think that's it. Thank you
11 very much.

12 MR. DOUCET: You're very welcome.

13 MR. WOLSON, Q.C.: It's now 5:00
14 o'clock and I appreciate your coming in along with
15 your counsel, and I thank you again.

16 MR. DOUCET: Thank you.

17 MR. HOUSTON: Thank you.

18 --- Upon adjourning at 5:00 p.m./

19 L'audience est ajournée à 17h00

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C E R T I F I C A T I O N

I, Barry E. Prouse, a certified court reporter in the Province of Ontario, hereby certify the foregoing pages to be an accurate transcription of my notes/records to the best of my skill and ability, and I so swear.

Je, Barry E. Prouse, un sténographe officiel dans la province de l'Ontario, certifie que les pages ci-hauts sont une transcription conforme de mes notes/enregistrements au meilleur de mes capacités, et je le jure.



Barry E. Prouse, CVR-CM

A 7/91

0414

512

FDCI
FRED DOUCET
CONSULTING
INTERNATIONAL

Ex 1A

INVOICE

BILL TO: Bitucan Holdings Ltd.
1204 Dome Tower
333 - 7th Ave. S.W.
Calgary, Alberta
T2P 2Z1

INVOICE NO.: 119

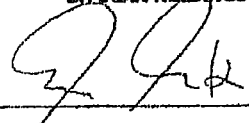
DATE: November 2, 1988

Attention: Mr. Karlheinz Schreiber

DESCRIPTION:

Re: Professional Services

\$90,000.00

BITUCAN HOLDINGS LTD.		104
1204, 333 - 7 AVENUE S.W. PHONE 288-9377 CALGARY, ALBERTA T2P 2E1		
		November 15 19 88
PAY TO THE ORDER OF	FDCI/FRED DOUCET CONSULTING INTERNATIONAL	\$ 90,000.00
REMISSIONS		DOLLARS
Re: Invoice No. 119/2.11.1988		100
Bank of Montreal 508 - 6TH STREET S.W. CALGARY, ALBERTA T2P 1X3	BITUCAN HOLDINGS LTD. PER 	
⑈0000 104⑈ ⑆25029⑈00⑆ ⑆1012⑈765⑈		

FRED DOUCET CONSULTING INTERNATIONAL INC.
SUITE 1300, 50 O'CONNOR STREET

A 7/91

0413

1770 MARKET STREET
SUITE 408
HALIFAX, N.S. B3J 2M4
CANADA

HALIFAX, N.S.

November 2

TELEPHONE 20-1040
FAX 20-488

M Bitucan Holdings Limited

1204 Dome Tower, 333 - 7th Avenue S.W., Calgary, Alberta.

In account with:

T2P 2E1

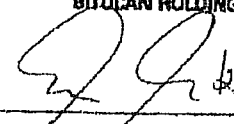
Doucet & Associates
BARRISTERS & SOLICITORS

EX-1B

To services rendered by Gerald Doucet

----- \$ 90,000.00

E. & O. E.

BITUCAN HOLDINGS LTD.		105
1204, 333 - 7 AVENUE S.W. PHONE 269-9377 CALGARY, ALBERTA T2P 2E1		
PAY TO THE ORDER OF <u>Doucet & Associates</u>	November 15 19 88	
	\$ 90,000.00	
REGISTERED <u>90000</u> DOLLARS		100 DOLLARS
Re: Invoice 2.11.1988		
Bank of Montreal 506 - 6TH STREET S.W. CALGARY, ALBERTA T2P 1X3	BITUCAN HOLDINGS LTD. 	
PER _____		
⑆0000105⑆ ⑆25029⑆001⑆ 1012⑆765⑆		

A 7/91

0411

Frank and Beth Moores
403 Clarke Ave.
Westmount, Que.,
H3W 3C3

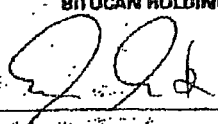
November 8, 1988

Bitucan Holdings Limited
1204, 333 - 7th Avenue S.W.
Calgary, Alberta
T2P 2E1

Ex 1C

I N V O I C E

For Services Rendered by Frank
D. Moores on your behalf \$90,000.00

BITUCAN HOLDINGS LTD.		107
1204, 333 - 7 AVENUE S.W. PHONE 269-9377 CALGARY, ALBERTA T2P 2E1		
		November 15 19 88
PAY TO THE ORDER OF	Frank D. Moores	\$ 90,000.00
REGISTERED 90000 DOLLARS		DOLLARS
Re: Invoice 8.11.1988		BITUCAN HOLDINGS LTD.
Bank of Montreal 608 - 6TH STREET S.W. CALGARY, ALBERTA T2P 1X3		PER 
⑈0000107⑈ ⑆25029⑈00⑆ ⑆012⑈765⑈		

A 7/91

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LEMOINE CONSULTANTS INC

NOV 15 1988

INVOICE

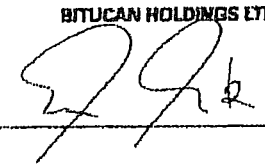
EX 1D

December 1, 1988

To Bitucan Holdings,
Calgary, Alberta

For professional Services rendered: \$90,000.00

TOTAL \$90,000.00

BITUCAN HOLDINGS LTD.		106
1204, 333 - 7 AVENUE S.W. PHONE 269-8377 CALGARY, ALBERTA T2P 2E1		November 15 19 88
PAY TO THE ORDER OF	<u>LEMOINE CONSULTANTS INC.</u>	\$ 90,000.00
REGISTERED 34 F 1 1051 90000 DOLLARS		100 DOLLARS
Bank of Montreal 506 - 6TH STREET S.W. CALGARY, ALBERTA T2P 1X3	BITUCAN HOLDINGS LTD. 	PER _____
⑈0000 106⑈ ⑆250 29⑈00⑈ ⑆ 10 12⑈765⑈		

1262 James Lemoine, Sillery, Quebec, Canada G1S 1A2 Telephone: 418 682-3172

A 7/91

0410

GCI
GOVERNMENT
CONSULTANTS
INTERNATIONAL

NOV 16 1988

INVOICE

BILL TO: Bitucan Holdings Limited
1204, 333 - 7th Avenue S.W.
Calgary, Alberta
T2P 2Z1


INVOICE NO.: 1880

DATE: November 10, 1988

EX 1E

DESCRIPTION	AMOUNT
Re: Consulting Services Rendered	\$250,000.00

GOVERNMENT CONSULTANTS INTERNATIONAL INC.
SUITE 1300, 50 O'CONNOR STREET,
OTTAWA, CANADA K1P 6L2
PHONE: (613) 236-7001 TELEX: 057-3960

BITUCAN HOLDINGS LTD.		103
1204, 333 - 7 AVENUE S.W. PHONE 289-9377 CALGARY, ALBERTA T2P 2E1		
		November 15 19 88
PAY TO THE ORDER OF GOVERNMENT CONSULTANTS INTERNATIONAL	\$ 250,000.00	
REGISTERED 250000 DOLLARS 00 CTS		DOLLARS
Re: Invoice No. 1880/10.11.1988		BITUCAN HOLDINGS LTD.
Bank of Montreal 506 - 8TH STREET S.W. CALGARY, ALBERTA T2P 1X3	 PER _____	
⑈0000 103⑈ ⑆ 250 29 00 1⑆ 10 1 2 7 6 5 0⑈		

18 AUGUST

88

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thursday
231-135



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Call Jean Charest
(819) 563-0115

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See Bob Valeff → Commonwealth
→ Olympic Toronto

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994-2424

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Call Michael Cottle 992-4311

16

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Talk to Mary re ^{to Paul} chicken quota.

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BLUESLINE

88

Kx2
AUGUST 19

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friday
232-134



am 8

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✓ 8:20 Treadmill
✓ + Physio.

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F.M. re Sea Head

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pm 1

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Peter Newman to call me today.

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28 SEPTEMBER

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wednesday
272-94



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Call Claude Charland.

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~~Call Claude Charland~~

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Call David over (Bell)

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(514) 499-7070

364-4734

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Check with Charest re Dr. Albert's daughter

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Brief Carol in my office
14:45 a.m. for 1/2 hour
with notes

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→ Trevor Euton to call me.

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88 SLEWLINE

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thursday

273-93

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Ex 3
SEPTEMBER 29



am 8

Corporate Research Group

re Brian Curjel

50

Call ~~John~~

To call back 11 Trevor

After 5:00 11 ~~David~~

To call back 11 ~~David~~

~~David~~

~~David~~

~~David~~

12

50

pm 1

50

2

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3

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8:00 p.m. Briefing of Massman
Delta Hotel

4

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5

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David began to call me.
Let Dr. Clayton know 95 2-7197

6

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7

50

Check with Ra Hee → want to talk to Heide

Friday.
→ introduction to Gordon King
→ did he talk to Lorraine?

8

50

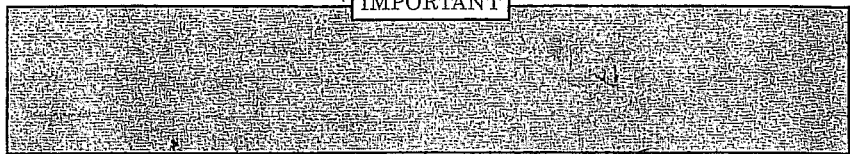
Ex 4B

24 WEDNESDAY
APRIL

MARCH						
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APRIL						
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28	29	30				

IMPORTANT



8h
30 *Call Harry Regan - Auction*

9h
30

10h
30 *[Redacted]*

11h
30 *[Redacted]*

12h
30

13h
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14h
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15h
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16h
30

17h *Telkin to have called*

30

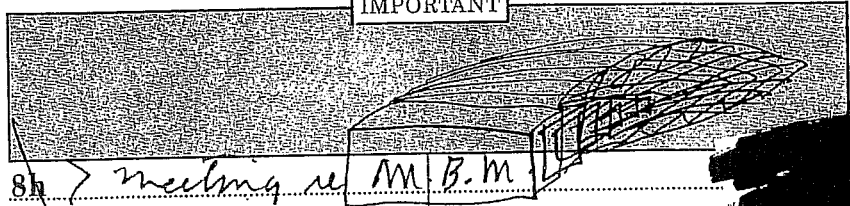
MAY

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JUNE							JULY						
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23	24	25	26	27	28	29	28	29	30	31			
30													

Ex 4C
THURSDAY
MAY 23

IMPORTANT



8h > meeting re M.B.M.

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9h

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15h

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16h

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17h

30

May 129

Karlheinz Schreiber
Suite 908, 350 Sparks St., Ottawa, Ont. K1R 7S8
Telephone: (613) 563-3321 Fax: (613) 563-7648

Ex 5
SA

May 6, 1992

The Right Honourable
Brian Mulroney
Prime Minister of Canada
Langevin Block
80 Wellington Street
Ottawa, Ont.
K1A 0A2

Dear Prime Minister:

I would like to thank you very much for finding the time to meet with me yesterday especially when you are so busy with the constitutional issue. I was also greatly heartened by your sympathetic understanding of the situation and your determination to set things in train.

As you recommended, we are now working on a 2 page summary of the actions necessary to realize the project as you would like to see it. To deliver the exact figures will take a few days and we will present them to you next week. The activity we will engage in the next few days includes an investigation of the situation for establishment of the project in East Montreal.

I would also like to inform you that after the meeting with you, Elmer and I had a very good meeting with Marcel Masse and I expect to meet with him again next week.

With regard to your suggestion that we get together when you are in Munich, perhaps you would ask one of your staff to give me information on your program, so that my family and I can help you and your family to enjoy your visit to our home city.

I look forward to seeing you again next week.

Warm personal regards,



Karlheinz Schreiber

Suite 908, 350 Sparks St., Ottawa, Ont. K1R 7S8
Telephone: (613) 563-3321 Fax: (613) 563-7648

Ex 6

13 May 1992

The Right Honourable
Brian Mulroney
Prime Minister of Canada
Langevin Block
80 Wellington Street
Ottawa, Ont.
K1A 0A2


Dear Prime Minister:

Subsequent to our meeting of last week and the meeting with the Hon. Marcel Masse, I am pleased to inform you that I have now had very encouraging meetings with representatives of the Premier and officials from the Province of Quebec, and with four senior Army Generals.

The next important step in the whole process is to have a meeting as early as possible with l'Hon. Marcel Masse to discuss the areas of his very important involvement. A letter to Minister Masse is attached which will inform you of that proposal.

I will keep you informed on our progress, and will request a further meeting when the situation is more fully advanced. I know that I can count on your continuing support, although I appreciate that all our activities are greatly overshadowed by the tragic event in Nova Scotia, and Elmer's strong personal concern and involvement.

Sincerely yours,



Karlheinz Schreiber
Chairman

Minister of National Defence



Ministre de la Défense nationale

CANADA

The Honourable L'honorable
Marcel Masse

EX 7

MAY 16 1992
MAI

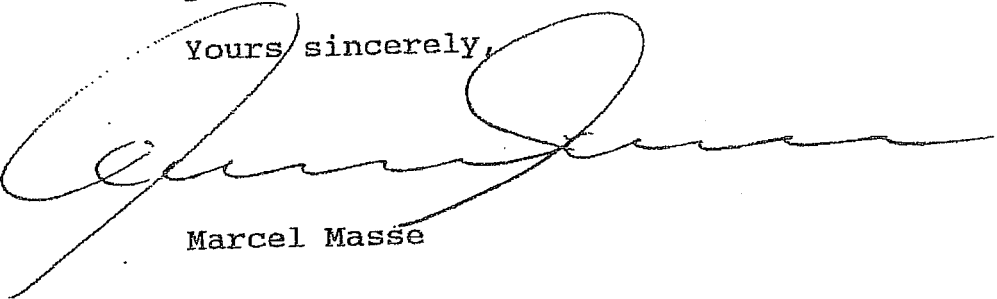
Mr. Karlheinz Schreiber
Chairman
Thyssen BHI
Suite 903, 350 Sparks Street
Ottawa, Ontario
K1R 7S8

Dear Mr. Schreiber:

Further to our meeting, I wish to acknowledge receipt of your letter dated May 13, 1992 in which you inform me of the measures undertaken towards the implementation of a facility in Montreal to build MRCV prototypes.

I am pleased to confirm, as we discussed, that representatives of the Department of National Defence, more precisely the Deputy Minister and the Assistant Deputy Minister (Material) will be meeting with you or your associates on Wednesday, May 20th, 1992.

Yours sincerely,



Marcel Masse



Ex 8

BEAR HEAD INDUSTRIES LIMITED

Suite 908, 350 Sparks Street
Ottawa, Ont., Canada
K1R 7S8

TELEPHONE (613) 563-3321

TELEFAX (613) 563-7648
TELEX 053-3981 bhi ott

The Right Honorable
Brian Mulroney
Prime Minister of Canada
Langevin Block
80 Wellington Street
Ottawa, Ont.
K1A 0A2

22 May 1992

Dear Prime Minister,

As promised I write to keep you informed of recent events which have occurred as I proceed to realize our project by the method which I agreed with you during our last meeting.

I am pleased to confirm the very positive support we have received for our proposal from Hon. Jean Corbeil as expressed through M. Richard Le Lay his Chief of Staff. Furthermore, I understand that it is intent of Min. Corbeil to solicit the support of Min. Benoit Bouchard.

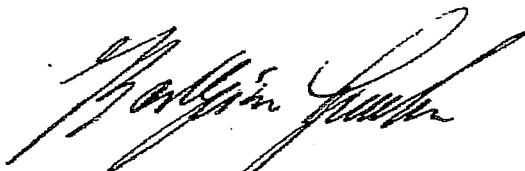
That position fits in parallel with support expressed by the Province of Québec and I find it encouraging.

More recently, as a result of my May 13, 1992, letter to Min. Masse, a delegation from our Company was invited on May 20th to discuss the involvement being requested of DND by the Company.

The outcome of that meeting was completely unhelpful and I am dismayed by the lack of co-operation and understanding of the important economic benefits which this proposal offers to Canada. You will see by the attached report of the meeting that the DND position has been to simply "stone-wall" the Company's proposal. Though not a complete surprise, it was even more negative than I expected.

I have travelled to Germany for this week but will be back in Ottawa on May 31st. to resume my activity towards our project.

Most sincerely,



Karlheinz Schreiber
Chairman

Encl.

5063-B15
↑
E x 9

STATUS OF

BEAR HEAD INDUSTRIES (A DIVISION OF THYSSEN INDUSTRIE AG)

ISSUE

The company continues to press ministers to assist in establishing a facility dedicated to the manufacture of military vehicles in Montreal East.

BACKGROUND

The company proposes to establish in Montreal East a facility dedicated to the manufacture of military vehicles. An interdepartmental committee recommended that the project be cancelled. FORD-Q continued to pursue the project with the company. The discussions included a potential total federal and provincial package of up to \$60 million. FORD-Q then was asked to obtain additional information from Thyssen on the market place for the Thyssen vehicle; Canadian in-vehicle content; and other pertinent company plans. To date, FORD-Q has advised it has not received a response from Thyssen.

KEY FACTORS

ISTC led an interdepartmental working group, charged by PCO, which provided an assessment of BHI/Thyssen's market projections. The findings of this study were negative and unequivocal.

CURRENT STATUS

Ministers Charest and Corbeil met August 26, 1993, with Messrs K. Schreiber, President and Legal Counsel F. Ducet on the company's proposal. We understand that Thyssen is not prepared to provide additional information. As a result of the meeting the following actions are underway:

- a. DND was contacted to determine the nature of commitments made by the former Minister of National Defence, M. Masse, to test and certify the Thyssen vehicle;
- b. NATO's plans for peace keeping vehicles and specifications are being re-visited; and
- c. in conjunction with External Affairs, global market statistics as applicable to the Thyssen vehicle are being re-examined.

We shall provide briefings on our findings and the status of the project, as appropriate.

Contact: Helmut Zankl, Marine & Land Defence Systems, 954-3789
Dick Krajewski, Director, Marine & Land Defence Systems, 954-3388
September 2, 1993

OTT/SDC/CCS
22207060 -

BB-7-7

Ex 10

Saturday
135-230

JUNE							93
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~~Pierre Klotte~~
~~O Harve~~
~~Louelle~~

15



737
7276

~~Jean Charest~~
~~Philip Marcell~~

am 8

:30

9

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pm 1

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Ex 11

Tuesday
152-213

JULY							93
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JUNE 1



am 8
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Strecher arrives today
in here 2, 3, 4,

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pm 1
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uabn

J

Ex 12A

2 JUNE

JUNE							93
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27	28	29	30	31			

Wednesday
153-212

☀️ ☁️ ☔️ ❄️ Breakfast Council
8 am 29th Floor.

8 am
30
9
30
10
30

11
30
12
30
CSD/ED re: Reid Wilson
11:30 → Silverman Conference call
Staff meeting

1 pm ~~Go to wards.~~
30
2 → Get copy of letter to J. Matthews
30 To send to Elogan. ✓

3
30 → Call Merson re Vancouver + RFP
4 Contract
30 (Perico London) ✓

5
30
6
30
7
30
8
30

[Handwritten signature]

BLUBLINE

22. Woche
152-213

KY 128

Tel. Elmer
Tel. Haertel
Tel. Jack
Tel. Bob.
Tel. Fred
Tel. Frank

2866-2522
Max Binn

UHR
7
8 John Harding
9 Max Detektiv
10
11
12
13
14
15
16
17
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UHR

Max - St. Moritz

30 Min Conseil
29. Floor.

Bob. 10 S. / 26.5
Mattell

Tel. BAR

7
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Daniel Hasy
260 0135

0039.744.950.53

Balden ideal.

Kreuzfahrt Schiff
wann wo?

Hilton BAR Wien
0043-1-71700
1124

Fisch anford. 18.5-98

Klinik 21.5

Zurück 26.5

22. Woche
153-212

Ex 13A

Thursday
154-211

JULY							93
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JUNE 8



Mr. W. W. W. am 8
cleaning 30

Call Andie Charvitt 9
Do letters or call Blair Camp 30

11 30

12 30

pm 1 30

2 30

P.M. K. Shreiner 3
Centre Bk. 30

5 30

6 30

7 30

8 30

liber

13B

22. Woche
154-211

Max Staup / Flick

John Harding

Jack Vance

Frank Moore

Greg legal opinions

Bald

Vance Alford
Harding
KS

UHR

7

8

9:30 Bob Hladun
403-266-1611

10 406

11

12

13

14

15:30 PM. Meeting

16

17 Tel. Oberle.
997-1694

18

19 Hy's

20

UHR Bob Charvat

7 Camp. Of. 231-6368

8

9

10

11

12

13

14

15 Tel Frank

16

17

18

19

20

Diana Tognari

514.458.4308

Frankfurt Brian-Max
1236

403-429-4867
Glen of.

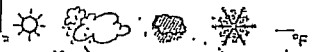
260.0239
Direct Bob Hladun
David Maig

Ex 14A

Thursday
238-127

SEPTEMBER							93
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26	27	28	29	30			

AUGUST 26



~~10:30 AM. Nadelet~~ am 8
30

11:00 AM. Mental? 9
30

11:30 GND, ED, JW re: AMP 10
30

~~GND, VL, JW - Honays~~ 11
30

12:00 PM. [unclear] 12
30

1:00 PM [unclear] pm 1
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2:00 PM [unclear] 2
30

3:00 PM Room 936N - Central Bldg
Chrest meeting 3
30

4:00 PM 4
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5:00 PM 5
30

6:00 PM 6
30

7:00 PM 7
30

8:00 PM 8
30

1993

SA 5.25

Donnerstag 26. August

SU 19

SA 5.26

Freitag 27. August

SU 19.20

34. Woche
238-127

Arthur Nightingale.
ELMER.

UHR

7

Brian
Frank

8

9

10

11

12

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14

15:30 Charst.

16

17

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19

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UHR

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Tel. Fred ✓

8

Tel. Brian ✓

9

Tel. ELMER.

30

Tel. Fred.

10

11

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13

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30 Limosine.

15

16

17

Brian Airport Hotel.

18

19

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34. Woche
239-126

613.523.1919

514.228.4269

236.0701

Ex
LUB

JANUAR 1994

Donnerstag

Freitag

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31

Mo	3	10	17	24	31
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Do	6	13	20	27	
Fr	7	14	21	28	
Sa	1	8	15	22	29

K+15

17 DECEMBER

DECEMBER	93					
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26	27	28	29	30	31	

Friday
351-14

☉ ☁ ☂ ❄ ☾

8 am

Call Fontaine

30

9
30

Bill Pearson 223-3 Argentea Rd.

10

Suite 400
416-858-8000

30

11

Call Gary Elliott

30

905-629-2525

12

→ American Airlines Hwy 1

30

~~13~~

30

mail

405 5011

2

to Montreal

30

3

4

Brian

30

5

K. Shreiber (Quan E.)

30

6

Muloney's
47 Forder Crescent

30

7

Westmount
dark suit & tie

30

8

Montreal

30

BLU LINE

1993

SA 8.21

Donnerstag 16. Dezember

SU 16.14

Freitag 17. Dezember

SU 16.14

50. Woche
350-15

Blumen Geyah
Batufush

Ext 5B

UHR	7	722 0044
	8	
	9	Henry Wall 160 Len Alcorn 160
	10	
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	16	
	17	BHL Christmas Party
	18	
	19	
	20	

UHR	7	Robert Gourd. / FDU.
	8	
	9:30	Min Manley DRI
	10	
	11	TEL. ELMER
	12	
	13	
	14	
	15	Queen Elisabeth # 2710
	16	Andre Quellet Min Ext. Aff. Manley
	17	
	18	
	19	
	20	

50. Woche
351-14
John Manley
930-1025

16:00 Quellet And
Manley
ELMER

DEZEMBER

16	13	20	27
17	14	21	28
18	15	22	29
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Donnerstag
30
Dezember

Freitag
31
Dezember

JANUAR 1994

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Mi	5	12	19	26	
Do	6	13	20	27	
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Sa	1	8	15	22	29
So	2	9	16	23	30

50. Woche
352-13

18.12.1942 Dr. Rohkamm
Ges

Brian Mulroney
47 Forden Cresc
Westmount-Montreal
514.369.8111

Ex 16

UHR Lavalin 514

342.4771

8

9

10

11 Brian Home.

12

13 for

14 Carail Hotel.

15

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17

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UHR

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Sape Pumas 6
35 Heli Dif Graft
380 Greg Doven Con

ELMER

Baldia

Stuart

DEZEMBER

1	2	3	4	5	6	7
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Donnerstag
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Dezember

Freitag
31
Dezember

JANUAR

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E4 17A

Thursday
342-23

JANUARY							95
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29	30	31					

DECEMBER 8

7:40 Bellco to N.Y. ☀️ ☁️ ❄️
am 8
30
1, East 60th St. → 9
30
make it up → 10
30
11:30 → 11
30
Brian + K.H. → 12
30
Lunch + phone etc. →
pm 1
30
2
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3
30
4

leaving

This is the
only entry re
K.S. for 1994

SA 8.13

EX 17B

Donnerstag 8. Dezember

1.4

SU 16.14

Freitag 9. Dezember

SU 16.14

49. Woche
342-23Maria Empfängnis
(Österreich)

Stärker

9:10 : 9:30 Auto

1.4
154 Körper
4201974
122 Brandel2096
200 Zinsen2.296
240 Kapitalkosten
475 Hospitaler2411
20 Misch

UHR Giesner / Riemer / Schmid.

7 Pfeiffer / Löffmann Teil No 2

8

9

10 Brian /
30

11

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30 u 8:30 Stärker
0821-41021 Büro

0167-2821-111

0821-5162 24

Frau Pfeiffer - 4102-228

Party Erika / Jerry
Abschied

Bob Hladun

0228-81080 Martin
StärkerCargor
M113 85 gals 900
RPG Pionjü 500
United Defense of Brumshik

Manc. Fred. UD

Greg Bill Frank

Max BMW 2

Bob Hladun 2

Memo to File

Thursday Oct 28/99 Ex 18A

Having watched last night (Oct 27/99) the Fifth Estate program on the CBC dealing with K.S., I decided to write down my recollection of an event that took place on Dec 8, 1994. On that date (Dec 8/94) I travelled to N.Y. to meet up with MBM for the purpose of attending a lunch at the invitation of K.S. on the occasion of Elmer Mackay's recent wedding. Elmer & his wife along with Barbell & others were in attendance. It was understood that ahead of the lunch K.S. wanted MBM to provide a report to him on his ongoing assignment of oversight internationally on behalf of K.S.'s corporate interests. At approximately 11:00 A.M., M.B.M. & I proceeded to K.S.'s room & for approximately 1 1/2 hrs. the two of them discussed various aspects about MBM's assignment as well as a number of matters where MBM saw opportunities in the international arena. K.S. provided some materials to M.B.M. about some projects he was pursuing. At the end of the discussion K.S. handed over an envelope indicating that a payment for services and expenses were included. I was present throughout the discussion period. At the end of the 1 1/2 hrs (approx.) we all went down to the restaurant together to join the other guests at the Elmer Mackay luncheon. Lunch lasted for about 1 1/2 hrs and M.B.M. & I left together.



Ex 18B

Thursday, Oct. 28/99

Memo to File

Having watched last night (Oct. 28/99) the fifth estate program on the CBC dealing with K.S., I decided to write down my recollection of an event that took place on Dec. 8, 1994. On that date, (Dec. 8/94) I traveled to New York to meet up with MBM for the purpose of attending a lunch at the invitation of K.S. on the occasion of Elmer MacKay's recent wedding. Elmer and his wife along with Barbell and others were in attendance. It was understood that ahead of the lunch K.S. wanted MBM to provide a report to him on his ongoing assignment of oversight internationally on behalf of K.S.'s corporate interests. At approximately 11:00 a.m., MBM and I proceeded to K.S.'s room and for approximately 1 ½ hrs. the two of them discussed various aspects about MBM's assignment as well as a number of matters where MBM saw opportunities in the international arena. K.S. provided some materials to MBM about some projects he was pursuing. At the end of the discussions K.S. handed over an envelope indicating that a payment for services and expenses were included. I was present throughout the discussion period. At the end of the 1 ½ hrs (approx) we all went down to the restaurant together to join the other guests at the Elmer MacKay luncheon. Lunch lasted for about 1 ½ hrs and MBM and I left together.

Dec 26/89
2-5 P.M.

Et 19A

→ Luc Lavoie

"me" thinks he's a lying
bastard.

- I spoke with him and
his apology rang hollow.
- I'm going to have them
discovered, I want to know
who he messes by "me".
- Kaylan looks is flawed
in several key pages particularly
in the very first pages.
- When Arthur case broke
the first call I got was from
Lalonde. He said to me the
two people who know most
about this story is you & me.
And we each know that Mulhoney
had absolutely nothing to do with
this. It's all of Arthur's to A.C.

2.
- Elmer used to hate Roberto's
pato. Now he like him a lot.

- People are going to be very
surprised about the ~~the~~ individual
we're going to discover. When
I'm finished we will know
that Rock, Gray, Christen,
know about what the REMP
were doing.

- When we discover Proust
we're going to ask her whether
she had sex with a member
of the German Prosecution Team
before or after she wrote her
letter.

- Ironically, this extradition
hearing is going to resolve the
whole issue for Brian because
when we get the German
Prosecutor in for discovery we
will have him reveal what

~~he had done~~

They have found from the thorough examination of the accounts in Swiss & German banks. They will have to admit that in all of those accounts there is not a single reference to Buam. They can't have it both ways - if they wish to use that evidence to extradite me that means they wish to have those accounts ^{taken} seriously - if they do then that fully exonerates Buam.

- Barkell + I have become very good friends of the Hungarian & He has invited us for New Year's Eve (along with a group of lawyers, judges, industry captains etc.)

Brian should know who his best friend is. It is not the many he thinks they are. It is you. He should have made you a Senator instead of the many so called friends who did not serve him well and would do nothing for him today. Like Cogger, Neufman, Atkins, Carney, Kelly,

I cannot understand why Brian didn't tell me along the way why he wouldn't support the Nova Scotia project. If he had told me he couldn't do it for whatever reason I would have accepted it. He never told me - so I kept pushing. However I'm over that now.

Brian is a great guy. I wish
we could have done that Tryon
project - he would now have
a great client on the international
scale.

I have decided to increase
the amount of damage in my
claims against the CBC and
the 5th Estate. I have also
launched a new suit against
each of them based on the last
broadcast.

F 19B

Dec. 26/99 2-5 p.m.

Luc Lavoie

"we" think he's a lying bastard.

- I spoke with him and his apology rang shallow.
- I'm going to have him discovered. I want to know who he means by "we".
- Kaplan's book is flawed in several key pages particularly in the very first pages.
- When airbus case broke the first call I got was from Lalonde. He said to me the two people who know most about this story is you and me. And we each know that Mulroney had absolutely nothing to do with the sale of airbus to A.C.
- Elmer used to hate Lalond's guts. Now he likes him a lot.

- People are going to be very surprised about the individual we're going to discover. When I'm finished we will know that Rock, Gray, Chretien, knew about what the RCMP were doing.

- When we discover Proust we're going to ask her whether she had sex with a member of the German Prosecution team before or after she wrote her letter.

- Ironically, this extradition hearing is going to resolve the whole issue for Brian because when we get the German prosecutor in for discovery we will have him reveal what they have found from the thorough examination of the accounts in Swiss and German banks. They will have to admit that in all those accounts there is not a single reference to Brian. They can't have it both ways – if they wish too use that evidence to extradite me that means they wish to have those accounts taken seriously – if they do then that fully exonerates Brian.

- Barbell and I have become very good friends of the Greenspans. He has invited us for New Year's Eve. (along with a group of lawyers, judges, industry captains, etc.)

- Brian should know who his best friend is. It is not the many he thinks they are. It is you. He should have made you a Senator instead of the many so called friends who did not serve him well and would do nothing for him today, like Cogger, Meighen, Atkins, Carney, Kelly,

- I cannot understand why Brian did not tell me along the way why he wouldn't support the Nova Scotia project. If he had told me he couldn't do it for whatever reason I would have accepted it. He never told me – so I kept pushing it. However, I'm over that now.

- Brian is a great guy. I wish we could have done that Thyssen project – he would now have a great client on the international scale.

- I have decided to increase the amount of damage in my claims against the CBC and the 5th Estate. I have also launched a new suit against each of them based on the last broadcast.

Jan 11/00

4:30 Royal York, Toronto

K.S. & J.A.D. Room 5-271

1, Party Justice Linden & wife
Al Warner & wife

She a good friend
They like me
They don't like
one second they
did anything

Kx 20A

2, Luc.

I gave him ~~the~~ letter. I commented the setting that provoked Luc and how out of the quote was. I told him how I rate you about Luc's statement regardless of monoclonal & that you had called him in S.A. & given hell. Then I probed what good would be by proceeding with a suit. K.S. said, we he did me a lot of harm in Germany - friends from there are asking me why a spokesperson for BM. would call me a liar amount of apology on his part will satisfy. He must pay for his lack of professionalism should not get into this. He should tell the "Look you hurt K.S. and you hurt me, so your problem" - in any event Fred, you

These guys are accustomed to shooting with their legs
& getting away with it - this time he won't, he'll
have to learn a lesson & the only way he can
is to pay for his misdeed - then I'll be able to tell
my friends - it's settled. Tell B.M. he should not
get into this. In any event because you've asked
I will bring this letter to Eddie. His lawyers have
already send a letter. It's not acceptable. His lawyers
must deal with Eddie. How will I know what Eddie's
response is to this proposed apology? Have his lawyers
call Eddie.

3. Now our friend B.M. I was quite taken
by your concern at our house regarding an
apparent statement that Brian made. Since you
had invited me to tell B.M. everything, I did. And
Brian quite frankly could not understand where you
would be of that impression. Subsequently however
he went to the text of his disclosures and found a
section where you may have misunderstood what he
said and the context of the line of questioning
I have brought you that section and I'm prepared
to get you the entire transcript if you'd like it.
Fred I fully understand now and I can see
how Brian would have been concerned when
you reported to him. OK. Fred this fully does
that up. I now understand. So there's no
problem here any more.

Now K.S. let us imagine that what you had in mind when you called me to set up the Munich meeting etc. regarding M.B.'s consultancy internationally comes out during your disclosures, may I presume you will disclose the same as I understood the consultancy to be. The occasion of Eleanor's luncheon party was to propose to M.B. that you would want him to keep an a watching brief over a three year horizon and to report periodically on possible opportunities for your companies and that for that service you were prepared to pay a fee and expenses, let me stop you there. Fred, Brian and I had discussed this before particularly in the context of peace keeping programs and also dealing with the reunified Germany. So, O.K., K.S. so you had a mandate which was acceptable to ~~M.B.~~ M.B. Yes, that's right. Now, if you are asked ~~in~~ under oath about the post 1993 period is this what you're going to say, well Fred I can't perjure myself so I guess if asked that's what I would say. What about the financial arrangements? Well it could have been an advance or a loan - I don't really fully recall but I guess it is only relevant in the context of my taxes so let's wait a while since I won't be discovered for a long time and I believe (as does Eddy) that I will never be discovered. Look Fred Brian is my friend and my closest Canadian friend, I will do nothing that will hurt him - you tell him. We can come back to this matter later but we agree on the mandate I gave him & he accepted. O.K. Fred, there is nothing like the truth do you agree? Absolutely.

4/ K.S. what the hell's happening in Germany?
All hell is breaking loose. You suggested the Bavarian
Premier ~~states~~ wants to be Chancellor. I will see to it
he doesn't get it. I owe this to Strauss. Also
Stranbele is an ass. He wants to make life
difficult for Kohl and the Treasurer of the
Party (Lady) Stranbele has ambitions - he will
never materialize them. The Treasurer is my
friend, Kohl is my friend. They will be OK.

What about all this talk to the media.
Well Fred I'll tell you, I'm picking my spots. In
Canada I do nothing except with Eddie's approval.
But in Germany, I'm doing my own thing best of
course I discuss everything with Eddie. My friends
out there are happy that after 5 years of ~~silence~~
when Plassi & company did all the talking
and hurt me badly that finally I'm now talking.
K.S. I need to walk you through the pitfalls.
(And I did) Well Fred I think you're wrong
but I appreciate that you care enough to tell
me what you think.

5/ Timing: We have suggested dates. We expect
now the discoveries will start in Feb. Prost,
Her Boss, then Thompson, then Rods. Then a
long list including Chretien. On my own
initiatives - we're going to let these discoveries
scare them like hell and maybe my
initiatives will go pretty fast without
my having to be discovered. That's what
Eddie thinks.

6/ You know Ted, the official prosecution ~~matter~~ materials were lost for a week when they arrived in Canada. We think they were interested by the R.C.M.P. When they were found the seal was broken and a part was missing. They don't know we have the missing part (we were able to obtain it) and it is that part that will fully lay to rest the Sirkes case. Because all the accounts are in there and there is no reference directly or indirectly to M.B. After this comes out there is no basis to continue the investigation on Airbus.

I tell you again Ted, in ~~essentially~~ this extradition hearing will serve to bill Airbus in Canada with ~~Prost's account~~ the combination of the document & the discrediting in particular of Prost & Pellosi.

My conclusions:

- He is hunting for money
- He is getting paid for his interviews (he let slip that he had made \$40,000 in one interview)
- He also mentioned taking a call from Time Magazine.
- He fervently believes he will never be extradited. (Roddie is absolutely certain)
- He will only settle for some money from Luc ~~at the moment~~

Ex 20B

Jan. 11/00

4:30 Royal York, Toronto K.S. and J.A.D. room 5-271

1. Party Justice Linden and wife. She is a good friend of Mila.

Al Warner and wife

They like Mulronev and they don't believe for one second that he ever did anything wrong.

2. Luc

- I gave him letter. I commented the setting that provoked Luc and how out of context the quote was. I told him how irate you were about Luc's statement regardless of provocation and that you had called him in S.A. and given him hell. Then I probed what good would be served by proceeding with a suit. K.S. said, well he did me a lot of harm in Germany - my friends from there are asking me why a spokesperson for BM would call me a liar. No amount of apology on his part will satisfy them. He must pay for his lack of professionalism. BM should not get into this. He should tell him "Look you hurt K.S. and you hurt me, so solve your problem - in any event Fred, you know these guys are accustomed to shooting with their lips and getting away with it - this time he won't, he'll have to learn a lesson and the only way he can is to pay for his misdeed. Then I'll be able to tell my friends - it's settled. Tell BM he should not get into this. In any event, because you've asked I will bring this letter to Eddie. How will I know what Eddie's response is to this proposed apology? Have his layers call Eddie.

3. Now on our friend B.M. I was quite taken by your concern at our house regarding an apparent statement that Brian made. Since you had invited me to tell B.M. everything, I did. And Brian quite frankly could not understand where you would be of that impression. Subsequently however, he went to the text of his discoveries and found a section where you may have misunderstood what he said and the context of the line of questioning. I have brought you that section and I'm prepared to get you the entire transcript if you'd like it. Fred, I fully understand now and I can see how Brian would have been concerned when you reported to him. O.K. Fred this fully clears that up. I now understand. So there's no problem here anymore.

Now K.S. let us imagine that what you had in mind when you called me to set up the Mirabel meeting etc. regarding M.B.'s consultancy internationally comes out during your discoveries. May I presume you will disclose the same as I understood the consultancy to be. The occasion of Elmer's luncheon party was to propose to M.B. that you would want him to keep an a watching brief world wide over a three year horizon and to report periodically on possible opportunities for your companies and that for that service you were prepared to pay a fee and expenses. Let me stop you there Fred. Brian and I had discussed this before particularly in the context of place keeping programs and also dealing with the reunified Germany. So, OK, K.S. so you had a mandate which was acceptable to M.B. Yes, that's right. Now if you are asked under oath about the post 1993 period is this what you're going to say. We'll Fred, I can't perjure myself so I guess if asked that's what I would say. What about the financial arrangements? Well it could have been an advance or a loan - I don't really fully recall but I guess it is only relevant in the

context of my taxes so let's wait a while since I won't be discovered for a long time and I believe (as does Eddy) that I will never be discovered. Look Fred Brian is my friend. I will do nothing that will hurt him – you tell him. We can come back to this matter later but we agree on the mandate I gave him and he accepted. O.K. Fred, there is nothing like the truth do you agree? Absolutely.

4. K.S. what the hell's happening in Germany? All hell is breaking loose. You see Fred the Bavarian Premier wants to be Chancellor. I will see to it he doesn't get it. I owe this to Strauss. Also Straubele is an ass. He wants to make life difficult for Kohl and the Treasurer of the Party (Lady) Strauble has ambitions – he will never materialize them. The Treasurer is my friend, Kohl is my friend. They will be OK.

What about all this talk to the media? Well Fred I'll tell you, I'm picking my spots. In Canada I do nothing except with Eddie's approval. But in Germany I'm doing my own thing but of course I discuss everything with Eddie. My friends out there are happy that after five years of silence when Pelossi and company did all the talking and hurt me badly that finally I'm now talking. K.S. I need to walk you through the pitfalls. (And I did) Well Fred I think you're wrong but I appreciate that you care enough to tell me what you thing.

5. Timing. We have suggested dates. We expect now the discoveries will start in Feb. Prost, her Boss, then Thompson, then Rock. Then a long list including Chretien. On my own initiatives – we're going to let these discoveries scare them like hell and maybe my initiatives will go pretty fast without my having to be discovered. That's what Eddie thinks.

6. You know Fred, the official prosecution materials were lost for a week when they arrived in Canada. We think they were intercepted by the RCMP. When they were found the seal was broken and a part was missing. They don't know we have the missing part (we were able to obtain it) and it is that part that will fully lay to rest the Airbus case. Because all the accounts one in there and there is no reference directly or indirectly to M.B. After this comes out there is no basis to continue the investigation on Airbus. I tell you again, Fred, ironically this extradition hearing will serve to kill Airbus in Canada with the combination of the document and the discovery in particular of Prost and Pelossi.

My conclusions:

- He is hurting for money
- He is getting paid for his interviews (he let slip that he had made \$40,000 in one interview)
- He also mentioned taking a call from Time magazine.
- He fervently believes he will never be extradited. (Eddie is absolutely certain)
- He will only settle for some money from Luc

Ex 21

Aug 27/00

Summary of Events

Background

To the best of my recollections I have known Karlheinz Schreiber (K.S.) since 1988 when I met him in Ottawa at a G.C.I. party. He was introduced to me by Frank Moores as I recall.

During the period 1990, 1991, 1992, my consulting company (F.D.C.I.) had an ongoing arrangement with a K.S. company (Bitucan) to provide assistance with a project (Bearhead project). This relationship is a matter of public record and, since it involved in part government lobbying, was duly registered with the federal government Lobby Registry. This project was ultimately unsuccessful since the Federal Government turned it down.

Events Post 1992

1. As best as I can recall in late summer of 1993 K.S. called me to discuss with me whether I could arrange a meeting between himself and Brian Mulroney (B.M.) to discuss the prospects of a consulting assignment involving international representations and watching brief for corporate opportunities involving companies in which K.S. had an interest.
2. Following my discussions with B.M. a meeting was arranged in late summer/early Fall of 1993 between K.S. and B.M. to be held at the Mirabel Airport.
3. Subsequent to the Mirabel meeting B.M. informed me that he and K.S. had concluded an arrangement for an initial period of three years whereby B.M. through his consulting company would provide a watching brief and, if and where appropriate, make inquiries or representations in the international arena regarding corporate opportunities that could be of interest to K.S. It was also confirmed that B.M. would provide reports as appropriate.
4. I am aware that a meeting was held in Montreal in early 1994 between K.S. and B.M. pursuant to the above consultancy. (I do not recall if I had arranged this meeting but I recall B.M.'s report on it to me.)
5. I recall setting up a meeting in Dec/94 in New York, at the request of K.S., between K.S. and B.M. on the occasion of a luncheon on Dec 8/94 to celebrate the recent wedding of Elmer MacKay. I was personally present at that meeting in the Hotel Room occupied by K.S. This meeting was attended by K.S., B.M. and myself. At this meeting which lasted approximately one hour, B.M. and K.S. discussed various matters of the on-going consultancy in the international arena. K.S. provided various materials to B.M. At the end of the meeting we went to the hotel dining room and joined the group assembled for the luncheon event which lasted approximately 1 ½ hrs.

6. On Thursday Oct 27/99 I watched the Fifth Estate program on the CBC dealing with K.S. and matters relating to the airbus story and other aspects involving K.S. and others who had past associations with him. The following day (Oct 28/99) I wrote myself a memo to file regarding the meeting at which I was present in New York (as noted in 5. above).

The Fifth Estate program left me believing that events were unfurling, by way of speculations, that would probably lead to more wrongly construed conclusions about the Airbus matters and, in particular, references to B.M. and he felt the same way as I did.

7. On December 26/99, having learned from Elmer MacKay that K.S. was in Ottawa over the Xmas season and that he and his wife would probably appreciate a call or a visit in view of the recent events involving K.S. and his arrest in Toronto. (I had not seen or spoken to K.S. since the New York as best I can recall (Dec 94) I decided to give him a call and to invite him and his wife to our Ottawa home on Dec 26/99. I have kept a record of our discussions of that afternoon over a couple of hours. During this period he told me among many things that he expected that as part of his extradition hearings that I and B.M. would have to be discovered. Since K.S. urged me to review our discussions with B.M. I subsequently did. K.S. invited me to keep posted and to visit with him when next in Toronto and that he would do likewise when next in Ottawa.

8. On Jan 11/00 at approximately 4:30 p.m. we (K.S. and I) met at the Royal York in my room. I have kept notes of that meeting. At that meeting, among many other matters about which K.S. spoke, he told me,, in answer to my specific question about what he proposed to say at his discoveries regarding the consultancy with B.M. that he agreed that the nature of the consultancy was to keep a watching brief world wide on possible opportunities for his (K.S.) companies; that B.M. was to report periodically on such opportunities; and that for those services a fee was being paid as well as to cover expenses. With respect to the fee K.S. stated that he could not be certain whether he would be treating these disbursements as "an advance" or a "loan" since that was only relevant to him in the context of his taxes. I did not probe any deeper into that particular matter.

9. I reported to B.M. on my discussions with K.S. (with K.S.'s knowledge and approval) and I suggested to B.M. that I meet again with K.S. to present in writing what he had told me the mandate for the consultancy was with B.M. and the term and fees. I met again with K.S. in my office in Ottawa on Feb 4/00 and I presented a written statement on the mandate consistent with what he (K.S.) had represented it to be. I left open the identification of the companies from which the mandate would emanate and the fees to cover services and expenses. With his own (K.S.) handwriting my notes show his identifying those companies and when I asked him what the fee was he told me that the fee for services and expenses had been set at \$250,000 for the period 93/94; 94/95; 95/96.

Furthermore, he (K.S.) asked me if B.M. would be interested in renewing the terms for a new contract to assist him in the strategic selling of a new spaghetti machine. I indicated to K.S. that I would bring this to B.M.'s attention. He told me that he thought B.M. could

be of great assistance to him internationally in this corporate endeavor and he told me how much he regretted that the Airbus allegations had been casual to the interruption of their (KS and BM) consultancy agreement.

E+22

Feb 4/00

93/94
94/95
95/96

MANDATE

To provide a watching brief to develop economic opportunities for our companies, A B C including travelling abroad to meet with government and private sector leaders to assist in opening new markets for our products and to report regularly to us in this regard. In this context, priority should be given to opportunities relating to Canadian based manufacturing of peace keeping and/or peace making military equipment in view of Canada's prominence in this area.

The mandate will be for a period of three years. The fee to cover services and expenses is set at ~~250,000~~ 250,000 for the period.

* Bayerische or whatever other companies name
Bayerische Bitumen Chemie Chemie
Kautering

(A)

(B)

(C) * Bituman Calgary

① The mandate is accurate

② The two companies were Bayerische and Bituman Calgary and any other companies that may be appropriate

JL ③ The amount paid over the 3 years was \$250,000.

RM.

F.D.C.I.

KHS00003

E+23A

SA 7.51

Donnerstag 7. Februar

SU 17.22

6. Woche
38.327

Opan Ball

UHR

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Dr. Annet: Essen

*Fenni
Viola Essen*

Fenni

Viola Geburtstag.

Freitag 8. Februar

SU 17.24

SA 7.50

6. Woche
39.328

UHR

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Prof. Balda ✓

*Kaupp Tami Plätkhen
Juwelir Hadalberg Gids*

Mälh

*Riedl Urban
H.P. - Halls.*

*Mag-Lev Calg.
U - Jov.
F - Jsv.
F - Sau*

Antennen Mitter Video ✓

*# Bierman 1 Nopfen für
Fondue*

*Big Fun u. Senju Saxophon
you have got a friend.*

Stahl 30 Doucet

*Max - Klein - Loan - Gagio
2 Fo. Kai Film. Riedelb.*

*Landgericht Stuttgart.
28.*

Reite Buchenholz ✓

*Joe Zeyher wg. Hockhafer
Anruf Tel No. etc.*

Michael wg. Strahler

*# Wiesner wg. Balda Weinsberg
2 Goppel.*

1691



Société de Banque Suisse
 Schweizerischer Bankverein
 Società di Banca Svizzera
 Società da Banca Svizra
 Swiss Bank Corporation

Paradeplatz 6
 8010 Zürich
 Tel. 01/223 11 11

Fx 22B

Halbjahresauszug

1 8 6 7 9 A4 047

Kontoauszug vom 1.01. - 30.06.1991

RUBRIK FRED

PO- 45,341.2

Datum	Text	Belastung	Gutschrift	Valuta	Saldo	CAN-S
24.01.	VERGUETUNG		30'000.00	25.01.91		30'000.00
03.03	VERGUETUNG	49355	30'003.37	19.03.91		3.37
	KONTOABRECHNUNG					
	VOM: 25.01.91 - 30.06.91					
30.06	SPESEN		1.53	30.06.91		
	KURS	1.36150				4.90
Wir bitten Sie, diesen Kontoauszug zu prüfen und uns allfällige Unstimmigkeiten umgehend zu melden.			30.06.1991	Saldo zu unsern Gunsten		4.90

EX 24

SA 8.18

Freitag 18. Januar

SU 16.47

3. Woche
18-347

UHR

Kopier Brand - Reiter
Stuttgart - Mügg

7

Freyer neuer Anwalt
Hörler ?

8

Tel Hamburger ✓

Pichler ✓
089-649-2505
Tel. Segmüller ?

9

Viola - Babic ✓

10

Tel. Erich gratulieren

12

Tel Halger 6 Stör Fax
England.

13

Hilber Radio

Tel. Fred.

15

16

17

Stuart Goldl.

18

30 Gude Hessel flod.

19

Fax Stuart.

20

Samstag 19. Januar

SU 16.49

SA 8.17

UHR

KKK

3. Woche
19-346

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Erich gratulieren

Halger 6 Stör Fax

Tel Fred

Hilber Radio
Wiederax Geddr Topf

Bismann Zürich Munk

540

540

1080

600 P.7.

480 : 3 = 160 160. 460

893

893

800

986 1/2 493 CAM

246 HS

123 Max

123 Stuch

246 Frankfurt.

FRA - Fred
30 000

160 160. 460

CAM

HS

Max

Stuch

Frankfurt.

41. Woche
286-79

UHR

Modl. Pons Max.

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8 0049.8191.70933

9 R. Brest

10:30 Romingz Lin

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UHR

Mella Fred

7 Knöpfel jun

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Harding 2. Grog.
Doucet

Bladen Laval, Diche
MSheid, Hovner 2

Romingz Modl.

Kantonalb. 92.070.05

133.850

Jürgens

Romi bi) Seawley in
950 4093

Elmer Mackay

Frank Moore Cobay

Falconetti

Bonigillo + Heim Max

Bas Kladen
403.452.0781
483-5144

Marlent Arjitekt

41. Woche
287-78

Lx 25

Fox
382.67025

Edy B. E. Klong oh ✓

1989. 90.000

1990

1991. 30.000

1992. 88.000

208.000

1000.000

208.000

792.000